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## 3d Hostage Is Killed By Algiers Hijackers

By Alan Riding

New York Times Service

PARIS — The Algerian government rejected on Sunday a demand by Islamic fundamentalist hijackers for permission to take off on board an Air France airliner that they seized in Algiers as it prepared to leave on a scheduled flight to Paris.

The gunmen killed two passengers soon after they took over the Airbus A-300 on Saturday and released at least 60 Algerian passengers.

Late Sunday, France said a third passenger had been killed.

"We just had confirmation of the killing of a passenger," the French Foreign Ministry said in a statement. It said the body, unidentified, had been "dumped from the plane on the gangway." Earlier reports had quoted the gunmen as saying that they would "kill a Frenchman" unless the plane left Algiers by 9:30 P.M.

Foreign Minister Alain Juppé of France had said that Paris might allow the plane to fly to France.

The gunmen were believed to be still holding some 165 passengers and crew, including an estimated 40 French nationals.

Algerian news reports said the gunmen demanded the release of the two top leaders of the banned Islamic Salvation Front, Abbasi Madani and Ali Belhadj, who are under house arrest. But a Sunday deadline passed, and the gunmen reportedly withdrew their demand.

France offered to send commandos to free the hostages. "We have put intervention units on the alert in case the Algerian authorities reply favorably to our offer," Mr. Juppé said. Unconfirmed reports said the commandos had already flown to Spain.

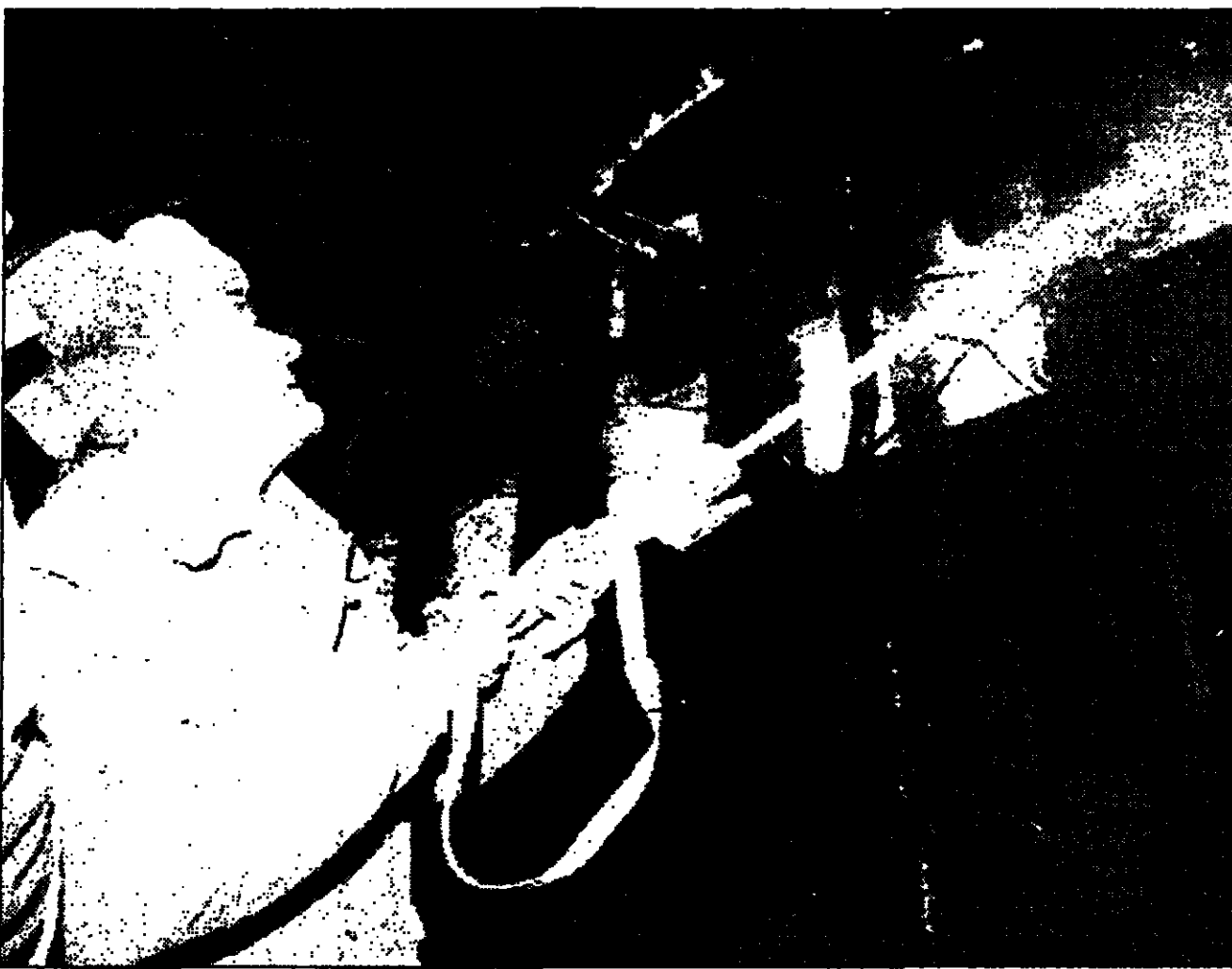
The gunmen are thought to belong to the Armed Islamic Group, the most radical of several fundamentalist groups fighting to overthrow Algeria's army-backed regime. Last year, the Armed Islamic Group began targeting foreigners living in Algeria and, to date, 80 have been killed.

This group, as well as the larger Islamic Salvation Front, also increasingly regards France as a foe, not only because Paris supports the Algerian government, but also because Paris has begun clamping down on fundamentalist support groups operating among its large Algerian community.

By seizing the Air France airliner on the ground at Houari Boumedienne Airport, the extremists appear to have achieved two goals — embarrassing the embattled Algerian government and reminding Paris of the perils of involving itself in Algeria's civil war.

By offering to send commandos, France seemed to take up the challenge. Prime Minister Edouard Balladur cut short a Christmas vacation and returned to Paris to preside over an emergency meeting attended by Interior Minister Charles Pasqua.

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A Chechen fire fighter putting out a blaze started by a bombing raid in Grozny. Air raids killed at least 13 this weekend.

## 1,000 Rebels Die in Battle Near Grozny, Russia Says

Ground War Intensifies As Troops Try to Sever Chechen Escape Routes

By Steven Erlanger

New York Times Service

MOSCOW — In what appeared to be a sharp escalation of the ground war in secessionist Chechnya, the Russian government asserted Sunday that about 1,000 Chechen fighters had been killed in heavy fighting around the town of Argun, about eight miles east of Grozny.

The Russian government's press service said that "a massive group of illegal armed units," using armor, artillery and flame-throwers, had attacked Russian troops late Saturday but been rebuffed by noon Sunday.

[Chechen fighters denied the claim. Reuters reported from Argun.]

The figure for the dead would make this by far the biggest land battle since up to 40,000 Russian troops invaded Chechnya on Dec. 11. But the figure could not be confirmed, nor could the parallel Russian assertion that Moscow's Interior Ministry troops had suffered no casualties in the same period. Officials were silent Sunday on the casualty toll for Defense Ministry soldiers.

Taking Argun is important to Russian efforts to cut off the capital and leave exit routes only to the south, which lead to relatively inhospitable mountains. Though moving much more slowly than its commanders had promised, the reinforced Russian infantry appears to be close to positions required to isolate Grozny and storm it, senior Western diplomats said Sunday.

The government's press center announced Saturday that Russian forces had completely surrounded Grozny, but the claim was premature. On Sunday, the Russians claimed only to control "all access roads to Argun," not the town itself, which is said to be in ruins. On Soviet maps, Argun is listed with a population of between 10,000 and 50,000.

As the land war intensified, the bombing of Grozny eased, the Chechen vice president, Zelimkhan Yandarbiyev, confirmed, with no raids Sunday by dark. On Saturday night, bombs set fire to the local Parliament building and hit dozens of houses, a local journalist told Reuters by telephone. Chechen officials said 25 people

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## As Tuition Soars, Frightened Colleges Now Say: Let's Make a Deal

By Peter Applebome

New York Times Service

BETHLEHEM, Pennsylvania — Increasingly, discount merchandising is coming to academia.

At Lehigh University here, a new program allows top students to get a fifth year of undergraduate or graduate education free, and the school, for the first time, has instituted scholarships not based on financial need to attract top students.

Its business school has cut tuition 22 percent for its master's program. MBA graduates get two-thirds off the regular tuition price for any course they take after graduation.

The changes at Lehigh are just a glimpse of a revolution beginning to rock colleges and universities as more consumers make it clear that they cannot or will not pay the sticker price for college.

"We're not trying to be the discount kings here," said James Schmutter, dean of Lehigh's College of Business and Economics. "But I think we've sat here on campus and thought we're special and we're different from other kinds of marketplaces. Our customers no longer think we are that different; they see us more like other high-priced luxury goods."

"As time goes by, I think we're going to see increasingly more aggressive and creative and sometimes desperate pricing schemes."

The higher education market has already changed significantly. In the last four years, the number of students paying full tuition at Lehigh, for example, has dropped to 49 percent from 63 percent, and nationally fewer than half of all college students pay full tuition.

Experts say that discount schemes are proliferating. They include more financial aid awards based on need, merit scholarships designed to attract sought-after students and innovative pricing.

Robert Zemsky, director of the Institute for Research in Higher Education at the University of Pennsylvania, said, "I think the whole price structure of higher education, particularly in the private sector, is collapsing, and there will be a lot of what might be called novel experiments in the years to come. The market is trying to, in a larger sense, clear, and find out the real price the public is willing to pay for higher education."

Experts say at least four factors have put higher education in its bind. The first is that the cost of a

college education has grown far faster than the consumer price index and personal income.

Second, the pool of applicants is declining or stagnant. Third, the public is increasingly skeptical and cost-conscious as a result of the consumer movement and negative publicity about academic life. Fourth, competition for top students is increasing.

Those factors have contributed to experiments like these price-cutting plans:

• In October, the University of Rochester announced that it would give a \$5,000 grant to all New York state residents who enrolled as freshmen in 1995.

• The University of Detroit Mercy, Michigan's largest private university, took the opposite tack, offering out-of-state students a grant program of up to \$1,950 to match what the state gives Michigan students.

• Susquehanna University in Pennsylvania and Clarkson University in upstate New York are among schools that have begun offering four-year degrees for the price of three, allowing students to cut \$12,500 to \$25,000 from the cost of their bachelor's degree.

• This month Michigan State announced what it called a "historic" policy guaranteeing that tuition would not rise faster than the projected rate of inflation for the next three years.

According to the College Board, average annual tuition is now \$11,709 at four-year private colleges and \$2,686 at four-year public colleges, both up 6 percent over the previous year.

When room, board, supplies and transportation are included, the total price comes to \$18,784 a year for resident students at four-year private colleges and \$8,990 at public ones. The average American student pays about half of the total college bill, experts say.

A study by Mr. Zemsky's institute last summer examined five representative colleges from 1987 to 1993 and found that all were increasingly likely over time to offer more financial aid. The study also suggested that the purpose of the aid was not just to assist needy students but to increase enrollment and maintain class sizes.

The emerging discounts are part of the same picture.

## A Christmas View of Sarajevo's History

A Cemetery Now Haunts the Lot Where Children Used to Romp and Laugh

By John Pomfret

Washington Post Service

SARAJEVO, Bosnia-Herzegovina — From a second-story window of her cramped but cozy apartment tucked inside a mud-and-mortar house, Violeta Zvidic has watched the wooded playground of her youth mutate into a graveyard over 32 months of war.

On Christmas Eve, another young man, a 22-year-old police officer, was laid to rest in Heroes' Cemetery.

Her knees digging into a decrepit couch, she pressed her face against the window, steaming it as men outside in military fatigues passed a shovel from hand to hand, dropping dirt onto a plywood coffin.

Despite what officials see as Bosnia's most serious cease-fire in almost a year, Mrs. Zvidic, 24, has little hope that she has witnessed the last burial here of a man killed by Serbian guns. A nationwide truce brokered by Jimmy Carter, the former U.S. president, began at noon Saturday.

[One day into Bosnia's latest cease-fire, President Alija Izetbegovic of Bosnia warned Sunday that his troops would resume fighting unless Croats and Serbs stopped attacks on the Bihac pocket. The Associated Press reported from Sarajevo.]

[Although most of Bosnia appeared calm one day after the start of the newest

truce, UN officials reported fighting south of Velika Kladusa. They said the attackers were apparently Croatian Serbs and their rebel Muslim allies and asserted that this was not a violation of the truce, since only Bosnian Serbs and government troops were parties to the agreement. Mr. Izetbegovic saw it differently.

"[If those attacks don't stop, I am responsibly stating that there will be no

**'What can you say to someone whose playground is now filled with dead people?'**

cease-fire and that our army will respond on other fronts," he said on state radio.]

Mrs. Zvidic and many others like her looked on the latest truce as a sad joke.

"What can you say to someone whose playground is now filled with dead people?" said her mother, Gordana. "You tell us things will get better. We can only laugh."

Sarajevo has toyed with hope before. On Feb. 9 — after the bloodiest massacre of the war, the killing of 68 people by a

mortar shell in its open-air market — a NATO ultimatum ordering the Serbs to remove their weapons from around Sarajevo sparked confidence that the city's suffering might soon end.

But Serbian forces effectively reimposed the siege on July 26. Since then, shelling and sniping have increased. Four people were killed last week: an 82-year-old grandfather, an 11-year-old girl, a street vendor in his 20s, and Mirsad Delic, the policeman who was buried Saturday, two days after he was killed when two shells exploded in a Sarajevo market.

Mr. Carter's mission, which ended Tuesday, followed by UN-led talks that concluded Friday, have given some ground for hope. Under the cease-fire deal, talks are to be held on a four-month "total cessation of hostilities," and UN officials say they are hopeful that such an agreement can be achieved by New Year's Day.

If so, negotiations aimed at a political settlement of the war would be next. But many people here think not.

Mr. Delic, according to Bosnian Health Ministry records, was the 10,069th fatality in the city since the war began.

Snaking across a rolling landscape of whiteness, a line of dark figures, with the

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PAPAL MESSAGE — John Paul II leaning on his staff during Christmas Mass in St. Peter's. He lamented fighting around the world. Page 5.

## Muslim Bomber Kills Only Self In Israel Attack

By Barton Gellman

Washington Post Service

JERUSALEM — An Islamic militant wounded 13 people Sunday morning but killed only himself when he mistimed the detonation of a satchel charge near a bus full of Israeli Air Force troops.

Hundreds of soldiers had gathered near the Jerusalem Convention Center on Zalmann Shazar Avenue, as they do each Sunday morning, for a chartered bus ride back to their bases from weekend leave. Security officials said Israel was spared a major loss of life when something caused the bomber to set off the explosion prematurely at about 6:10 A.M.

The Islamic Resistance Movement known as Hamas took responsibility for the attack. The political impact was heightened here by disclosure that the bomber was a member of Yasser Arafat's self-rule police in the Gaza Strip, a fact calculated to embarrass both Mr. Arafat and his negotiating partners in the Israeli government. Witnesses in Gaza said they had often seen the man directing traffic in a dark blue police uniform, and Palestinian official sources acknowledged that he was a member of the force.

The attack continued a pattern set in October, at Jerusalem's pedestrian mall and on Dizengoff Street in Tel Aviv, in which Hamas strikes at the icons of normal Israeli life.

The force of the explosion blew glass and metal from a nearby bus shelter clear across the six-lane boulevard and well into a parking lot on the other side. The blackened remains of the bomber lay in the center lane of traffic, mingled with pieces of a chartered bus that the main force of the blast had narrowly missed.

Eli Bramli, who drove that bus, said in an interview nearby that he ran a regular route from Jerusalem to an air base near Ramla and that most of his passengers were uniformed troops. In the seconds before the explosion, he said, a man in civilian clothes joined a knot of late-arriving soldiers and looked as though he intended to climb aboard.

"I closed the rear door and pulled away," Mr. Bramli said. "Only passengers I know got on the bus."

Ehud Olmert, the mayor of Jerusalem, who was briefed at the scene by Major General Arye Amit, the district police

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### Kiosk

## Man Seized Atop White House Fence

WASHINGTON (Reuters) — An unarmed man tentatively identified by the Secret Service as Lolo Bello was arrested Sunday atop the northern fence of the White House, a Secret Service spokesman said.

President Bill Clinton and his family were inside at the time but were never in danger, the spokesman said. It was the

latest in a rash of attempts to breach White House security. "Somebody grabbed him hanging from the fence," the spokesman said. "He was not armed, and we don't know what he was up to." He said arrests of fence climbers "happen regularly" at the White House.

The man was charged with unlawful entry and making threats after arguing with the police during the course of his arrest.

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## American Science: End of Golden Age?

Experts Fear Progress May Suffer as More Researchers Chase Fewer Grants

By Boyce Rensberger

Washington Post Service

WASHINGTON — The end of the post-World War II boom in U.S. science funding, coupled with a rapid increase in the number of scientists competing for that funding, could lead to slower rates of technological advancement and flagging battles against disease, hunger and environmental decline, according to leaders in the U.S. scientific community.

Federal funding for scientific research grew faster than the rate of inflation from the end of World War II until 1987, except for a minor dip in the 1960s. Since 1987, however, federal research funding has just kept pace with inflation.

At the same time, the number of university-based scientists supported by federal grants has continued to grow at a rate of 5.7 percent a year — 2½ times faster than the U.S. work force as a whole. The number of medical scientists has grown 10 times faster than the work force.

One effect of the increased competition for funding, scientists say, is that basic or pure science research proposals that might yield major advances frequently are rejected because they are long shots or would take too many years to pay off. Instead, they

say, the grant money goes to more cautious, incremental proposals that promise to show quicker results.

Another effect is that many young scientists — the future lifeblood of American science — cannot find permanent jobs in research and are quitting a profession that once was viewed as a lifelong calling. Older and more established scientists occupy most of the permanent positions and, studies suggest, get most of the grants.

A study by the National Academy of Sciences showed that between 1985 and 1993, even as the overall number of grant applications was increasing, applications from scientists under the age of 37 dropped 54 percent. Researchers suggest that younger scientists are not seeking grants because they have no permanent job base from which to apply.

The unemployment rate among scientists with doctorate degrees is now among the highest for all professionals. Since 1988 it has tripled, from 1 percent to 3 percent, with the sharpest rise occurring even as the overall unemployment rate has fallen in recent years.

The growth in the number of new doctorate-holders has

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France.....1,120 CFA	Turkey.....T.L. 35,000
Germany.....1 JD	U.A.E.....8.50 Dirh
Ghana.....US\$1.50	U.S. Mil. (Eur.) \$1.70
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## Confusion Reigns As Italians Gasp For Political Break

By Alan Cowell  
New York Times Service

ROME — The Christmas holiday was also a time of relief for Italians this year: for a couple of days at least there was a respite from political controversy and confusion.

For days before the break, politicians filled the air waves and newspapers with the sound and fury of a full-blown political crisis that culminated last week with the resignation of Prime Minister Silvio Berlusconi.

He stepped down in the face of a revolt within his governing coalition that has brought his country's attempt at political renewal to a halt.

Italians may like to think of themselves as cynical about politicians. Nevertheless, the latest scandal seems to have created rare confusion.

"There is a kind of disorientation," said Stefano Belli, selling newspapers from his kiosk on a rainy afternoon. "People are confused. They don't know which way to go. In the past, there was left and right — a clear distinction. Now, apart from the extremes, it's difficult to know what difference there is between them."

Cynicism aside, there is anger that the experiment has imploded, and disappointment that the new politicians have proved so feeble.

"Expected change," said Luciano Romani, 37, who works for a UN agency in Rome. "But

unfortunately the problem is that we don't have a really good leader or political group that has a program."

In the Paradiso bar in central Rome, Antonio Tolomei shrugged as he served coffee to the last stragglers from the stores. He complained that Mr. Berlusconi had simply not been given enough time to put change into effect.

He was most angry, he said, at Umberto Bossi, the leader of the Northern League, who abandoned the coalition and joined the parliamentary opposition in trying to bring down Mr. Berlusconi after winning an election in alliance with him.

"The coalition gave Bossi a lot — government ministries and so forth — but he turned around and destroyed it," Mr. Tolomei said. "It shocked people."

That image of aggrieved decency and of generosity betrayed is the one Mr. Berlusconi will pursue as he seeks another chance to run the country.

Even in the anti-Berlusconi camp, rejoicing over victory is tempered by confusion about the future.

"None of us here likes Berlusconi," said Andea Fabrizio, 45, a public relations consultant. "But no one is happy with what's happening."

President Oscar Luigi Scalfaro must now decide whether to call new elections, name someone else to try to form a government or even ask Mr. Berlusconi to cobble together a new coalition. The president is expected to open talks with major political figures Tuesday.

Complicating his task, the maneuvering surrounding the Berlusconi resignation has not only robbed Mr. Scalfaro of a majority but has also divided his opponents that they cannot come up with an alternative majority in Parliament.

"There are now two or three parliamentary minorities, each of which is too weak to govern but strong enough to prevent the others from forming a government," said a political analyst, Sergio Romano. Thus, he said, there are "no winners."

### 15 Australians Hurt In a Nightclub Blaze

NEWCASTLE, Australia — Eleven people were hospitalized and four were treated for smoke inhalation after a rock band's fire-eating act went awry during a Christmas Eve performance, police said Sunday.

Fifty-five people were evacuated from The Star restaurant-club complex here after the lead singer of the band Freak Shop accidentally set fire to the roof by igniting a mouthful of kerosene, the police said.

### SCIENCE: Transition in America

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coincided with a recent influx of foreign researchers, creating a pool of professionals that far exceeds the number of science jobs available in academia and industry. Far from the scientist shortage that experts once forecast, the United States now faces what many call a scientist glut.

Science groups and politicians have proposed a range of possible ways to avoid the feared dulling of America's scientific edge. Not surprisingly, some scientific organizations contend that the answer is to boost research funding, especially for basic science, the kind of research aimed at learning more about how nature works.

Other groups, including the National Academy of Sciences, say that current spending is sufficient but the nation should set priorities for scientific research. Some political leaders and advocacy groups argue that instead of spending so much on basic science, research money should be directed into targeted projects, such as curing specific

diseases or developing particular technologies.

A few experts even say the combination of stagnant funding and a glut of scientists is not altogether bad.

"There's always going to be an oversupply of scientists," said Bruce Alberts, president of the NAS. "My own view is that the system has to be competitive. Getting government funding is a privilege. The stiffer the competition, the better the chance that only the best are getting grants."

But most of the experts, including Alberts, agree that some effort should be made to remedy the current imbalance between the number of scientists and the amount of research money.

"If we persist on this course, we can expect to see America's position in the world gradually weaken," said Leon Lederman, a Nobel laureate in physics and former director of Fermilab, the world's most powerful atom smasher. "We will watch as our technology-based products become less and less competitive in world markets."



Hundreds of Sarajevo residents gathering at a cemetery in the city center to pray over the newly dead before their burial.

## Sudan Said to Help Algerian Rebels

Iran Allegedly Uses Nation as a Transit Point for Arms

By Chris Hedges  
New York Times Service

KHARTOUM, Sudan — Sudan's Islamic government, censured for its human rights violations and its support for various armed Islamic militant groups, is now helping Muslim fundamentalists in their effort to topple the Algerian government, according to Western intelligence reports.

Sudan, the reports say, is assisting the Algerian guerrillas by permitting Iran to use Sudanese territory as a transit point for weapons being smuggled to the Algerian guerrillas.

The elaborate operation to arm the Algerian guerrillas apparently involves shipping or flying weapons that originate in Iran to Sudan and through the remote desert region in northern Chad to Niger or Libya and on to Algeria, intelligence reports say.

Clinton administration officials said the shipments from Iran had contained ammunition and small arms. It was unclear, they said, whether Libya has been cooperating in the transit of the arms, but the officials said they were "watching the situation closely." There was no doubt, these officials said, that Algerian insurgents were also receiving specialized training in Lebanon and Sudan.

"What all this shows is that Iran is prepared to fish in troubled waters where it can," a senior administration official said. "But the movement is not operating from Tehran. Tehran is putting fuel on the fire."

At a time when an increasing number of militant groups are finding a haven in Sudan, many see the Khartoum government's assistance to the Algerian rebels as the most serious challenge to Western security interests in the region since the Islamic regime seized power here in a 1989 coup.

"We are reassessing just how dangerous Sudan is to our security interests," a Western diplomat said. "It is one thing to provide a sanctuary to Islamic militants and allow them to train, and another to become a conduit for arms to the Algerian insurgents. It is one thing to have an Islamic government here, and quite another to have one in Algeria."

Hassan Turabi, the secretary general of the Popular Arab and Islamic Conference, who is widely considered the most powerful figure in Sudan, said the charges were invented by the United States as "part of its campaign to destroy the Sudan."

## BOSNIA: View in Sarajevo

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signature black caps of the Bosnian police, carried their colleague's coffin through the snow-covered graveyard.

Past graves of young men born in 1967, 1972, 1968, 1977, the somber procession made its way to a new plot less than 15 feet from Mrs. Zivkovic's window at the edge of the cemetery.

Dabbling his eyes with a tattered piece of toilet paper, Mr. Delic's father, Azem, turned from the pit as they lowered his son into the ground.

"There's nothing much I can say," he said later. "He was a fair and honest boy. I don't know what to say."

Upstairs in her house, Mrs. Zivkovic's husband, Hussein, was trying to celebrate his 31st birthday while the funeral progressed below.

"Five friends of mine are buried there," said the former member of a special forces unit of the Sarajevo police. "I don't have the strength to cry anymore."

## HIJACK: Algiers Blocks Takeoff

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qua, Defense Minister François Léotard and Mr. Juppé. Mr. Balladur also conferred by telephone with the prime minister of Algeria, Mokdad Sifi.

Mr. Juppé said there were "around 40" French hostages, but there was also confusion about the number of people on board at the time of the hijacking. Air France originally said there were 271 passengers and 12 crew, but Algerian authorities said Sunday that there were at least five on the plane. Freed hostages said they carried two Kalashnikov assault rifles and two automatic pistols and were wearing the uniforms of airport ground crew when they came on board.

Several passengers who were released were quoted as saying the men recited sections of the Koran and forced women to cover their heads.

What is apparently beyond doubt is that three passengers were killed, one of them an Algerian policeman. One freed hostage said the man pleaded vainly for his life, shouting, "Don't kill me, I am married. I have a child." The other slain passenger was said to be Vietnamese diplomat.

At first, four gunmen were reported involved in the attack, but Algerian authorities said Sunday that there were at least five on the plane. Freed hostages said they carried two Kalashnikov assault rifles and two automatic pistols and were wearing the uniforms of airport ground crew when they came on board.

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## CHECHNYA: Fighting Intensifies

Continued from Page 1

had died during the raids. Local television was off the air, they said, and there was no electricity or automatic telephone service in the city.

The bombing hull seemed designed to allow more civilians to flee Grozny, which is described as a city in ruins. Russian officials say about 2,000 refugees a day were fleeing Chechnya to bordering Ingushetia and Dagestan.

But the bombing has also produced the first criticism of Russian tactics from Western countries such as the United States, Britain, Italy and France, which evidently want to do nothing that would undermine the stability of the Russian Federation or its president, Boris N. Yeltsin.

There was a small rally Sunday in Moscow to protest the military campaign, drawing about 1,000 people on a relatively mild if snowy day. They heard another sharp attack on Mr. Yeltsin by his human-rights adviser, Sergei Kovalev, a well-known dissident in Soviet times. Mr. Kovalev has remained in Grozny throughout the conflict and has provided some of the few relatively unbiased reports of casualties and damage.

In a telegram from Grozny read at the rally, he called on Mr. Yeltsin to stop "this crazy massacre" and pull the country "out of this vicious circle of despair and blood-stained lies."

Mr. Kovalev said that the Chechen leaders were ready for negotiations with Moscow, and he urged the president to begin them immediately.

## Spain Aide Held in Death-Squad Case

New York Times Service

MADRID — The killings of suspected Basque separatists by rightist death squads in the mid-1980s have returned to haunt the Socialist-led government with the arrest of a top official who led anti-terrorist efforts at the time, provoking debate about the tactics that democratic governments can use against terrorism.

The official, Julian Sancristobal, who served as director of state security and head of the anti-terrorist unit in the Basque province of Vizcaya, was arrested along with two other high-level police officials.

The investigating magistrate, Judge Baltazar Garzon, has charged them with attempted murder, kidnapping and the misuse of public funds. The charges link Mr. Sancristobal directly to the death squads known as Anti-Terrorist Liberation Groups, known as GAL, which hunted down and killed 23 people in shootings and bombings in southwestern France from 1983 to 1987. Imprisoned without bail, the three are to stand trial within two years.

The victims were suspected of links to the Basque terrorist organization ETA.

Although some of those killed were presumed leaders of the organization, others, including several French citizens, had no connection to the separatists.

The indictment was based on evidence provided this month by two former police officers, José Amedo and Michel Dominguez, who were convicted in 1991 for conspiracy to murder in six killings linked to the death squads. Mr. Amedo and Mr. Dominguez, each serving 108-year sentences, were given parole after talking to the authorities.

The death squad attacks ended four years later when the French authorities began to collaborate in rounding up suspected Basque terrorists for extradition to Spain and after the policy of granting political asylum to suspected guerrillas ended.

Since its founding in 1968, the separatist organization has killed nearly 750 people, many of them law-enforcement and army officials, in its fight for independence for the three northern Basque provinces of Alava, Guipuzcoa and Vizcaya. In the last year, the number of killings attributed to the group has dropped to fewer than a half-dozen.

While all politicians denounce state

terrorism as a means to combat terrorism, the latest developments have provoked a national debate over the killings.

"Any time democracy is in serious danger, I believe the state must react to maintain democracy," Juan Carlos Rodríguez Ibarra, the Socialist president of the western Estremadura region, told a local radio station. "In 1983 and '84 we had to bear a situation of more than 100 deaths a year carried out by ETA, and it is not fair to judge the creation of GAL by the perspective of 10 years later."

Denouncing the justifications and rationalizations of some Socialist leaders as "dangerous," the Basque Nationalist Party president of the Basque region, José Antonio Ardanza, warned at a news conference that "a state of law can never justify criminal behavior to combat terrorism."

But for José Manuel Sanchez Fomiet, the general secretary of the United Police Union, "there was no legal way to fight against ETA in 1983." He told reporters that "if it were not for GAL, France never would have begun to collaborate with Spanish justice by extraditing ETA suspects and would still be giving them political asylum status."

## WORLD BRIEFS

### Top Israeli and Syrian Generals Meet

WASHINGTON (AP) — Israel and Syria have ended their talks for the year after a meeting between senior military officers from the two sides. They will resume their search for a peace treaty after the new year.

Military commanders joined negotiations between Ambassadors Itamar Rabinovich of Israel and Walid Moualeel of Syria here on Thursday. The Israeli generals then went home, and Israeli officials said Sunday that the ambassadors were expected to meet again after the new year.

The meeting with the generals was described by the officials as constructive. The official Syrian press agency, SANA, monitored in Damascus, said General Hikmat Shehawi and his Israeli counterpart, General Ehad Barak, had participated in Thursday's talks, which, it said, "ended without any tangible results." It was the first known meeting between such high-ranking Syrian and Israeli officials since the peace effort began in 1991.

### U.S. Forces Board a Ship in Gulf

DUBAI (Reuters) — U.S. forces in the Gulf boarded a vessel carrying dates Sunday after it tried to escape U.S. ships enforcing the United Nations trade embargo on Iraq, a navy spokesman said.

Commander T. McCreary said 24 Marines and navy special forces troops slid down ropes from a hovering helicopter onto the Honduran-flagged Ajmir after it "tried to make a run last night and escape from the U.S. ship that was watching over it."

U.S. inspectors had found on board a cargo of dates, which the navy said came from Iraq. The navy was detaining the ship until it could be diverted to a Gulf port.

### Japan Opposition Wants an Election

TOKYO (AP) — Tsutomu Hata, a former prime minister who is now a vice president of the opposition New Frontier Party, urged the government on Sunday to call a snap election as soon as Parliament approves the budget early next year.

He said that opposition parties were likely to press the government to dissolve the lower house for early general elections as soon as Parliament passes the budget for the year starting April 1995. The government adopted the budget on Sunday and will submit it to the legislative session starting in mid-January. The budget bills are expected to clear Parliament only after a lengthy debate.

Prime Minister Tomiichi Murayama said earlier that he was not considering early general elections. A recent poll showed that almost 70 percent of members from the lower house said they believed that general elections for that chamber would be held after the upper house is elected in July.

## TRAVEL UPDATE

### QE2 Leaves New York After Fix-Ups

NEW YORK (NYT) — The Queen Elizabeth 2 has sailed from New York for the continuation of a 108-day world tour, after being delayed for more than 24 hours when Coast Guard inspectors cited safety violations.

The departure Saturday came after a day of continued complaints from passengers who described the luxury ship as a floating work-in-progress whose \$45 million renovation was nowhere near finished when it left Southampton, England, last week. A number of passengers left the ship as repairs continued at a furious pace just prior to the departure.

Coast Guard inspectors had discovered holes in fire-resistant bulkheads for new wires and pipes. They said that the holes could hasten the spread of fire through the ship. The ship was essentially tied up until the problems were corrected.

Tanzania, South Africa and Uganda have launched an airline, to be called Alliance, which will start flights in March, officials said in Dar es Salaam, Tanzania. It will serve Dar es Salaam, Entebbe, Bombay, London, Dubai and Johannesburg. (AP)

### This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Andorra, Australia, Austria, Bahamas, Barbados, Belgium, Belize, Benin, Bolivia, Botswana, Brazil, Brunei, Bulgaria, Canada, Cambodia, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, Germany, Ghana, Gibraltar, Greece, Grenada, Guyana, Honduras, Hong Kong, Hungary, Iceland, Ireland, Italy, Jamaica, Kenya, Latvia, Lesotho, Liberia, Liechtenstein, Lithuania, Luxembourg, Macao, Malawi, Malaysia, Namibia, Netherlands, New Zealand, Nigeria, Norway, Poland, Puerto Rico, Sierra Leone, Singapore, Slovakia, Slovenia, South Africa, Sri Lanka, Sweden, Switzerland, Taiwan, Trinidad, Uganda, United States, Vatican City, Zimbabwe.

TUESDAY: Australia, Barbados, Belize, Benin, Botswana, Brunei, Canada, Cyprus, Gibraltar, Hong Kong, Ireland, Jamaica, Lesotho, Luxembourg, Malawi, New Zealand, Sierra Leone, Vatican City.

WEDNESDAY: Australia, Canada, Costa Rica, Ireland, Nepal.

THURSDAY: Costa Rica.

FRIDAY: Belgium, Costa Rica, El Salvador, Finland, Guatemala, Luxembourg, Malaysia, Netherlands, Peru, Philippines.

SATURDAY: Andorra, Argentina, Bangladesh, Bhutan, Brazil, Brunei, Canada, China, Colombia, Czech Republic, Denmark, Ecuador, Egypt, France, Germany, Greece, Guatemala, Honduras, Iceland, Italy, Kenya, Kuwait, Laos, Latvia, Liechtenstein, Mexico, Nicaragua, Norway, Oman, Pakistan, Panama, Qatar, Slovakia, Sri Lanka, Sweden, Switzerland, Taiwan, Thailand, Timor, Trinidad, Uganda, United States, Vatican City, Yemen.

SUNDAY: Bahrain, Djibouti, Iraq, Israel, Jordan, Malaysia, Mauritania, Somalia, Sudan, Syria, Tanzania, United Arab Emirates, Yemen.

Sources: J.P. Morgan, Reuters.

## ISRAEL: Bomber Kills Only Self

Continued from Page 1

toward another bus after being turned away. "Some kind of accident" with the detonator, he said, set off the bomb before he intended.

"It was very lucky that it happened here and at that time," General Amit said.

Mr. Olmert, who made a close inspection of the man's remains, spoke afterward with grim satisfaction. "No doubt the fact that his body is shattered, rather than others, is the preferred result," he said.

Of the 13 people known to be injured, hospital officials said only two — including a Palestinian named Abdallah Rashed — were in serious condition. Eight of the wounded were treated and released immediately.

Among the lightly injured was Sara Greenberg, a 20-year-

old American student at the University of Michigan.

Traffic ground to a standstill for hours in Tel Aviv as well as Jerusalem, as the police mounted security checks.

Hamas and Israeli police identified the bomber as Iman Kamel Radi, 21, of the Gaza Strip town of Khan Yunis. Until last week, according to witnesses there, he was a traffic policeman. Spokesmen in Israel and the Palestinian Authority said they were investigating that report and could not confirm or deny it.

Marwan Kanafani, a spokesman for Mr. Arafat, said the chairman of the Palestine Liberation Organization "condemns such a criminal act, especially as it took place on Christmas, the holiest of the days for Christians."

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# THE AMERICAS

## ★ POLITICAL NOTES ★

### 2 Murdoch Executives Defend Gingrich

NEW YORK — Senior executives of two corporations controlled by Rupert Murdoch have come to the defense of Representative Newt Gingrich in the continuing dispute over the Georgia Republican's \$4 million book contract.

In letters to Representative David E. Bonior of Michigan, the Democrat who will become the minority whip when Mr. Gingrich becomes the speaker of the House in January, the executives repeated that the deal was made without Mr. Murdoch's involvement and was not intended to influence the Fox television network, which Mr. Murdoch also controls.

Mr. Bonior has demanded an inquiry into Mr. Gingrich's deal, suggesting it was "a \$4 million Christmas gift from Mr. Murdoch."

Jack McKeown, publisher and senior vice president of the adult trade group of Harper Collins, which won the bidding last week for two books from Mr. Gingrich, said in his letter to Mr. Bonior:

"The decision to pursue this book was a pure publishing judgment. It was based on our perception of the commercial potential for a serious nonfiction work that captured the political philosophy of Congressman Gingrich at a time when the political landscape in this country was undergoing a major transformation."

Mr. McKeown wrote that Harper Collins had three competitors in the bidding. "All offered a royalty advance at the multimillion dollar level, and our winning offer was less than 10 percent over the underbidder."

The second letter to Mr. Bonior was sent by Preston Padden, president for network distribution of Fox Broadcasting Co., who asserted, "Those of us at Fox are not involved with the Harper Collins deal." (NYT)

### A Plan to Chop Congressional Chaplains

WASHINGTON — It has been tradition that Congress have its own full-time chaplains — one for the House and one for the Senate — paid to open each session with a prayer.

Now — from the "Isn't Anything Sacred?" Department — some Republican budget slashers are talking of cutting the \$289,000 spent on salaries for the chaplains and their assistants and using volunteer clergy instead. But the chaplain of the Senate is urging them to discard the plan.

The Reverend Richard C. Halverson said there was "no way" a local pastor could identify with the personal needs of the legislators, as well as of "their families and the staff, and their hurts and needs and burdens and frustrations, without being here all the time."

In deciding the chaplains' future, the conservative Republican majority could find itself torn: Should it cut perks wherever possible, or preserve Congress's most visible living symbol of religious piety?

"The average American worker doesn't have access to a taxpayer-funded chaplain to lead a prayer at the beginning of every workday," said Barry W. Lynn, executive director of Americans United for Separation of Church and State. "If the new Republican leadership is serious about reform, let's see them ditch this relic and plow that \$289,000 into deficit reduction or use it for some worthy social program." (WFP)

### Quote/Unquote

Robert Gallo, chief of the National Cancer Institute's laboratory of tumor biology and a leading AIDS researcher, on the frustrations of working for the federal government: "Government scientists used to be the golden boys, but those days are over. Government is a bad guy today. And no wonder. Do you know how I have to spend my time now? I have to go to a course on sexual harassment. I have to go to a managers' course. I have to go to courses to learn how to go to courses. Boy, have things changed." (WFP)

### Away From Politics

● Edward Leary, the man charged with firebombing a New York subway, has denied from his hospital bed that he caused the blast that injured 48 people, his attorney said. (AFP)

● William Randolph Hearst III ended a chapter in American newspaper history by saying that he would step down as publisher of The San Francisco Examiner, the paper his grandfather used as the building block of the Hearst empire. (NYT)

● A father is suing a department store chain after having to change his 15-month-old son on a wet washbasin in the men's room of a New York store, a daily reported. The women's bathroom there has a diaper-changing table, but the men's room, like most American rest rooms for men, does not. (AP)

● The Food and Drug Administration has approved the first AIDS test that uses saliva — instead of blood — to determine whether a person has been infected by the virus. But it warned that the saliva test is less accurate than current tests. (LAT)

● A convicted shunlord has begun serving 60 days of house arrest in a run-down Los Angeles apartment house he owns after having failed to comply fully with a court order to make long-needed repairs. (LAT)

● A federal judge in California has become the first to enforce a section of the Clean Water Act that requires public agencies to reduce the levels of solvents, lawn chemicals and heavy metals that flow into waterways. (NYT)

### Romanians Mark Ceausescu Death

BUCHAREST (AP) — Disgruntled ex-Communists, braving icy rain Sunday, met at a grave said by some to contain the remains of the former ruler Nicolae Ceausescu to commemorate his death and complain about falling living standards.

"We must praise him because he did not allow some to become millionaires in two years' time and others to turn into beggars, as it happens now," said Aurora Dobriga, who sells a socialist monthly paper near the grave at Ghencea cemetery.

Mr. Ceausescu led Romania for 24 years before he and his wife were arrested, summarily tried and executed on Christmas Day 1989. Though it is uncertain whose body lies beneath the wooden cross bearing his picture, dozens of Ceausescu supporters continue to visit the site.

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## Q & A: Under the Republicans, Only Changes in Emphasis

William Kristol is a prominent member of the conservative Republican brain trust in Washington. He is former chief of staff to Vice President Dan Quayle and now heads the Project for the Republican Future. He discussed foreign policy with Paul F. Horvitz of the International Herald Tribune.

A. I don't know how much Republicans can do to make Bill Clinton a more effective or disciplined or more purposeful leader. He is who he is. To be fair to Bill Clinton, he's grappling with a post-Cold War world, a new

### MONDAY Q&A

situation where there aren't clear guideposts. We have avoided most of the major disasters. But in Bosnia and Korea and other areas, I think we have had a combination of rhetorical bluster and practical weakness that is, over the medium and long term, quite dangerous.

Q. Republicans seem to want to place greater emphasis on American strength and power and sovereignty. Is that a fair assessment?

A. I think that is quite a good way to describe it. The Republican Party will be more nationalist than the Democrats in the conduct of U.S. foreign policy.

Being more nationalist and being committed to a strong military just in case it's needed and more committed to defending the country — all those things don't tell you whether we should intervene in a particular situation or not. Basically, though, the Republican Party will be less deferential to international institutions and more concerned with promoting U.S. interests, however understood.

Q. Would you advise the Republicans to take any significant steps with regard to the United Nations or NATO?

A. I think Republicans should take a hard look at a lot of the multilateral institutions, including the United Nations, but also including a lot of international financial institutions, including the World Bank. There are good arguments that a lot of the money spent by those institutions doesn't do much good and in some cases may do some harm.

NATO is different. It's a military alliance and it has done a lot of good over the years. Rethinking NATO for the future is obviously a huge task and there's no consensus among Republicans on that.

Q. Why should the United States spend billions more on strategic defense?

A. Because there are nuclear weapons abroad in the world and there are means of delivering them. If Saddam

Hussein had had nuclear weapons and the capacity to deliver them to the United States, which is not farfetched after all, I'm not sure we would have been able to intervene in the way we did in the Gulf.

The United States is a wealthy nation and it can afford to spend more than 3 percent of its GNP on defense if need be.

Q. Do you think there is an emerging difference between the two parties in the perception of the vital national interests of the United States?

A. No. There are differences within both parties and among the American people as a whole.

Q. How seriously should Senator Jesse Helms, the incoming chairman of the Foreign Relations Committee, be taken?

A. He's a serious United States senator but he's one of 100. The good news is that the bulk of the Republican Party in the Senate has a healthy combination of hard-headed realism and commitment to American engagement in the world. People abroad should enjoy Jesse Helms. He's an American original.

Q. Do you think it is smart to offer U.S. troops on the Golan Heights if it would create a peace settlement?

A. I'm skeptical. If there's a solid peace, there's a solid peace. I have an objection to U.S. troops serving as a tripwire in general. We'll never have enough troops there to defend ourselves or to defend anyone else.

Q. What is your view on Bosnia?

A. The Clinton administration has given us the worst of both worlds: a lot of strong talk and weak action, which is very bad policy. I have been pretty consistently anti-interventionist on Bosnia, but I now wonder if I was wrong and whether we are going to pay a pretty high price for Western passivity and inaction. If the United States always halts before doing anything because of the complexities and the risks, we will end up with a world that's increasingly chaotic and unstable and unfriendly to our long-term interests.

There's a certain sense in the United States that American impotence is an awfully bad thing. But there's also a certain risk-aversion among the American people. The working out of that tension is going to be an important aspect to the next two years.

## North Korea's Refusal To Free Flier on Holiday Seen as Diplomatic Blow

By Paul Blustein

Washington Post Service

SEOUL — Christmas came and went without North Korea releasing a captured U.S. Army helicopter pilot, dealing a diplomatic blow to the Clinton administration.

After a day of tense waiting in anticipation that the North Koreans might show some holiday goodwill by freeing Chief Warrant Officer Bobby Hall, the only news offered by the U.S. side Sunday was that a meeting had taken place with mid-level North Korean military officials at the Korean War truce village of Panmunjom.

Mr. Hall's helicopter was downed Dec. 17 in North Korea.

"We're continuing to work through processes which we hope will lead to a senior officials-level meeting very quickly," said Jim Coles, spokesman for the U.S. military in South Korea.

Mr. Hall's detainment continued despite repeated, high-level expressions of hope from administration officials, including President Bill Clinton, that the serviceman's North Korean captors would release him by Christmas.

To induce North Korean cooperation, the administration authorized a letter to be sent Saturday to the North Korean authorities from General Gary Luck, commander of the 37,000 U.S. forces stationed here, expressing regret that Mr. Hall's helicopter had strayed across the border with South Korea because of a navigational error.

The North's refusal to respond as the administration had expected was not only an embarrassment for the White House, but may represent trouble for Mr. Clinton's policy toward the hermetic, Communist regime as well as the agreement struck in October to end Pyongyang's atomic weapons program.

Even before the helicopter incident, the administration was facing problems persuading skeptics in Congress to support the nuclear deal, under which North Korea would gradually dismantle its atomic bomb development in exchange for a U.S. pledge to arrange for Pyongyang to receive new nuclear-power facilities.

So U.S. officials have been remonstrating both publicly and privately with North Korea-an diplomats that an unreasonable delay in releasing Mr. Hall would compound the difficulties of implementing the nuclear deal and achieving warmer ties between Washington and Pyongyang.

Representative William B. Richardson, Democrat of New Mexico, a key House supporter of the nuclear deal, said that argument last week when he happened to be visiting Pyongyang just at the time the army helicopter was downed.

It was Mr. Richardson who initially raised hopes that Mr. Hall would be freed by Christmas. He persuaded the North Koreans to repatriate the body of Mr. Hall's crewmate who died in the incident, Chief Warrant Officer David Hillemon, and he also emerged from North Korea on Thursday claiming to have received assurances that Mr. Hall would be released "very soon."

Mr. Richardson said the North Koreans had not committed themselves to letting Mr. Hall go by Christmas, but he said he believed they would respond favorably to his exhortations to do so.

The fact that North Korea has not used the opportunity afforded by Christmas to cultivate U.S. goodwill has heightened concern among some analysts that the enigmatic Pyongyang regime lacks a firm hand to keep policy headed in a sensible direction.

Under this theory, Kim Jong Il, son of the late "Great Leader" Kim Il Sung, is either too sick or too weak politically to force the hard-line military to end its investigation of the helicopter incident and release Mr. Hall promptly.

Rumors have long swirled that Kim Jong Il suffers from debilitating illnesses.

The fact that North Korea has been dragging its feet in releasing Mr. Hall could mean that Kim Jong Il's hold on power is "not that complete," said Lee Dong Bek, a visiting fellow at South Korea's Research Institute for National Unification, adding that the incident provided some of the strongest evidence yet "that North Korea is a divided house."



WHITE HOUSE MATERIAL — Mike McCurry, the State Department spokesman, fielding a question. He becomes the presidential press secretary in January.

## House Republicans Seek A Curb on Federal Rules

By John H. Cushman Jr.

New York Times Service

WASHINGTON — House Republicans are preparing to push quickly next year for legislation that would radically restrict the government's ability to regulate everything from car safety to wilderness protection.

They have pledged a vote within the first 100 days of the new congressional session on legislation that would increase the ability of groups affected by regulations to challenge them before they take effect or are even formally proposed.

For the first time, analyses of costs and benefits prepared in the initial phase of drafting regulations would be subject to review by outside experts, and these analyses could be challenged in court.

The proposal would also drive down the overall burden on business and state and local governments by creating a regulatory "budget" — a specific ceiling on the costs of complying with all federal regulations.

The ceiling would be steadily reduced, and Congress would agree not to pass laws whose costs would exceed the ceiling.

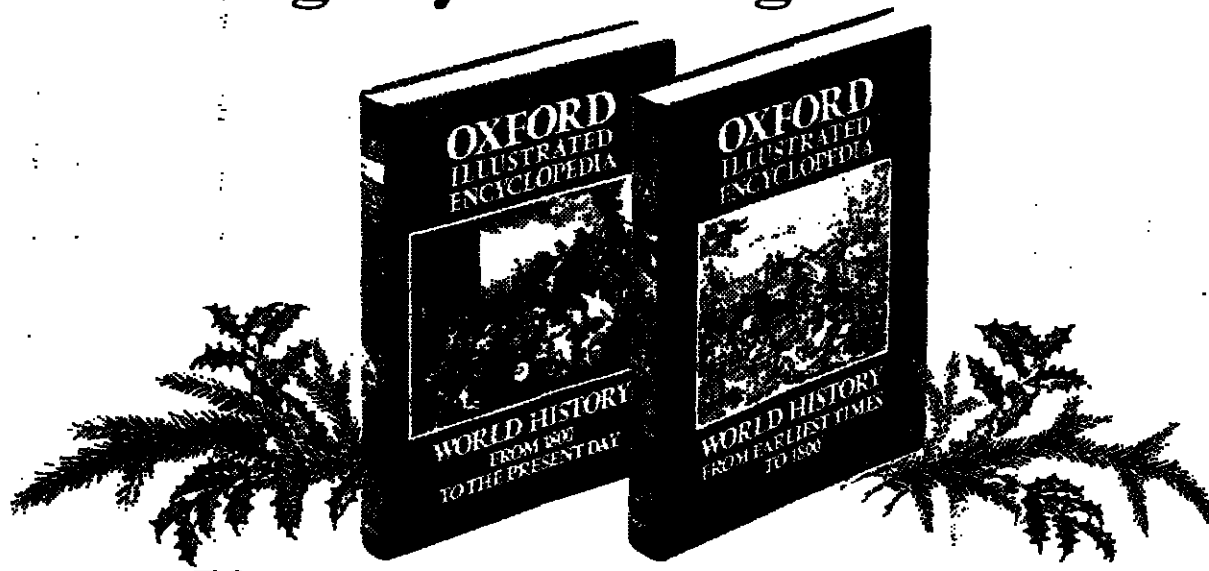
If adopted, the Republican proposals would fundamentally alter the workings of agencies like the Environmental Protection Agency and affect matters like the Transportation Department's pending decision about whether to require anti-lock brakes on passenger cars.

The proposals are the latest salvo in a decades-long struggle between Democrats and Republicans over the government's power to make rules.

The bill's basic approach is to limit the scope of regulations by imposing detailed strictures on the rule-makers themselves.

It includes, for example, one paragraph that bars any rule from being published for public comment unless the director of the Office of Management and Budget certifies that it avoids double negatives and "contains only sentences that are as short as practical."

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Spain Pes.	48,000	26,500
— hard dollar: Madrid Pes.	55,000	27,500
Sweden (former) S.Kr.	3,100	1,700
— hard dollar: Stockholm S.Kr.	3,300	1,900
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# Herald Tribune

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## Peace for Ireland?

It has been traditional, during the long years of strife in Northern Ireland, for the Irish Republican Army to declare a truce at Christmas. For a few days in the holiday season, Catholics and Protestants in Belfast and the rest of the province could shop for presents, visit relatives and go to church with some assurance that they wouldn't be blown up at a holiday party or shot on the way to services. Welcome as they were, however, the truces were always limited, and as the Christmas trees were taken down, the guns were taken up again.

This year, everything is different. The cease-fire to which both the IRA and the Protestant paramilitary forces have agreed has held. And the prospects for permanent peace look better than they have for a quarter of a century. The process surely is slow, for even the most dramatic breakthroughs have been correctly characterized as mere steps toward reconciliation.

There have been setbacks — a couple of shootings early on and a bomb, discovered and defused only last week. There was also time lost while the Irish Republic changed governments earlier this month, and a terrible gaffe when

former Prime Minister Alfred Reynolds revealed some confidential information after leaving office. None of this though appears to have thrown the peacemakers permanently off course.

John Bruton, the new Irish prime minister, is from a different party than his predecessor, but he has committed himself to the peace process and already has taken steps to move that effort forward. Dick Spring, the socialist leader and coalition partner in both the Reynolds and the Bruton governments, remains a critically important player. And in London, where a Christmas free of IRA bomb threats must be welcome, Prime Minister John Major's government has been committed and steadfast.

In other parts of the world, war, suffering and deprivation continue with a relentlessness that almost defies hope. But when this year began the turmoil in Northern Ireland also was thought to be just about insoluble.

Now, in this one corner of northwest Europe, the people of two island nations can realistically look forward to a new year of peace, and its concomitant blessing, prosperity.

— THE WASHINGTON POST

## No Italian Alternative

Italy's prime minister, Silvio Berlusconi, has resigned — which is all to the good. The bitter enmities within his peculiar coalition had long since paralyzed his government. Mr. Berlusconi thinks that the next step ought to be immediate elections. Not everyone agrees.

Looking back to the last elections in March, and particularly to the uses to which Mr. Berlusconi put the television stations that he owns, some Italians conclude that there is going to have to be reform of the election laws before Italy goes to the polls again.

This time the Italian crisis is real and profound. It is essentially a reaction to the collapse of the Soviet Union and the Western Communist parties. From the end of World War II until a few years ago, Italian politics was continuously dominated by the Christian Democratic Party. The major opposition was the Communist Party, the largest in Western Europe. Over time, the Christian Democrats, like all parties in power too long, became cynical and corrupt. But most Italians stuck with them and their allies, the Socialists, turning a blind eye to their transgressions, on grounds that to weaken them in any way invited a Communist takeover.

All that changed when the Soviet Union disintegrated. Within weeks, Italy's judiciary had opened prosecution of political corruption cases that, by now,

have implicated several thousand politicians and businessmen. Outraged Italian voters in the March elections swept away the whole traditional structure. But they knew more clearly what they were against than what they were for. Mr. Berlusconi's winning coalition was a colorful and unstable mixture of newcomers including, among others, neofascists. Meanwhile, the Christian Democrats and the Communists, humiliated, have both changed their names in an attempt to escape from their pasts.

That is the dilemma. The parties are going through a spectacularly chaotic reorganization of leadership and ideas. Until the choices get clearer, it is hard to see how an Italian election could produce a government with much real authority. But in the meantime somebody has to govern the country. Mr. Berlusconi ran in March as a man above tawdry conventional politics, untouched by the payola scandals. But last month the magistrates notified him that he was under investigation for bribery involving his gigantic business operations, and this month he was called in for questioning.

The great defect of Italian democracy has always been its inability to provide attractive alternatives to unsatisfactory and unpopular governments. That is as true today as it was when the Communist threat was at its peak.

— THE WASHINGTON POST

## Mexico's Devaluation

Mexico's decision to let the peso plummet about 30 percent last week rolled bond and stock markets and hurt Mexico's credibility with international investors. Critics of NAFTA, the free trade accord between the United States, Mexico and Canada, chimed in with the proposition that the peso's fall would turn bilateral trade against the United States, thereby vindicating their opposition to open trade. Much of the criticism is unwarranted. President Ernesto Zedillo, who took office only three weeks ago, had little choice; as foreign reserves dwindled, he could no longer afford to spend billions propping up the value of the peso. And although his decision angered many foreigners, whose investments plummeted in value along with the peso, Mexican economic policy remains sound. If Mr. Zedillo manages the economy well, last week's misfortune need not impair long-term growth. Finally, there is no substance to the notion that the falling peso vitiates the benefits of NAFTA.

Letting the peso float — despite government promises to the contrary — comes as no great surprise. Mexico has run trade deficits for years, which raised fears that the peso would eventually have to fall to balance the books. But government policy kept the peso stable as a good way to fight inflation and reassure foreigners that their investments would be safe. The strategy was to count on steady inflows of foreign investment to raise the productivity of domestic industry. Over time, exports would rise and eliminate the trade imbalance.

The strategy, although plausible, was cut short because Mexico ran out of reserves. Investors, fearful of devaluation, fled the peso. That left Mr. Zedillo a choice between defending it by raising interest rates, thereby throwing his economy into recession, or devaluing so that Mexico could close the trade deficit by exporting more and importing less.

He made the proper choice. Still, for the medicine to work, the Zedillo administration will have to tighten its budget and postpone promised new social spending. That, along with the likelihood of temporarily slower growth rates, is worrisome at a time of continued political instability.

There are reasons why foreign investors will not be permanently disaffected. Mexican market reforms, for instance, are on track; they have already brought inflation down from 160 percent to under 10 percent and balanced the federal budget. Investors will watch carefully what Mr. Zedillo does from here on. If, for example, domestic businesses take advantage of the depreciated currency — which makes foreign imports more expensive — to raise wages and prices, then the benefit of depreciation will go for naught.

Critics of NAFTA point to the fact that President Zedillo is counting on a lower peso to price U.S. exports out of the Mexican market and lower the cost of Mexican goods to U.S. consumers. That, they say, will eliminate the U.S. bilateral trade surplus and eliminate U.S. jobs. But the argument makes little sense.

The purpose of trade is not to raise employment — which the Federal Reserve now controls — or rack up surpluses. Its purpose is to steer workers into high-productivity jobs: into computer and software production and out of textiles. The United States comes out ahead under NAFTA no matter what happens to the bilateral trade balance.

The spectacle of a new government pledging one policy one week and doing something completely different the next is not pretty. And Mexican consumers will suffer from higher prices of foreign goods. But the alternative — prolonged recession — would have been worse. Mexico can survive last week's turmoil and prosper.

— THE NEW YORK TIMES

## Chechnya Stakes for Yeltsin at Home and in the West

By Brian Beedham

LONDON — It is no longer a war about an obscure corner of the Caucasus called Chechnya. It is a war about the credibility of Boris Yeltsin, the politics of post-Communist Russia and the size of the ideological gap between post-Communist Russia and the West.

By sending the Russian army into Chechnya, it is now painfully clear, President Yeltsin has put at risk both his authority inside Russia and what most people had until now assumed to be his foreign policy.

His decision is opposed by most of Russia's Parliament, by many of Russia's journalists and by a large part of the Russian army itself. This opposition will almost certainly grow if he does not win the war quickly.

But a quick victory will very likely have to be a bloody one, for the Chechens and perhaps the Russian army, too, and that will be equally unpopular. The people are for the first time seeing a Russian war honestly reported in their newspapers and on their television screens.

The small group of men around Mr. Yeltsin who encouraged him to move into Chechnya — above all the defense minister, General Pavel Grachev, and the boss of the president's personal guard, the ex-KGB General Alexander Korzhakov — share this harsh responsibility. They share, that means, its risk but also the glinting hope of greater power it opens up for the pro-war faction. The

risk is that failure will hurt them at least as much as it hurts Mr. Yeltsin. They will presumably be the first scapegoats he offers up if things go wrong and he sets out to ensure his own political survival.

But success, even a bloody success, will tilt the balance of power inside the Russian establishment in favor of such men. The presidency will be even stronger in relation to Parliament than it is now. Of the people around the president, those who urged him into Chechnya will loom even larger over those who hesitated, or resisted. Since General Grachev and Korzhakov are notoriously rough-edged fellows, that bodes ill, to put it gently, for the civility of Russian politics.

This should give pause to those in the West whose first reaction to the invasion of Chechnya was to offer their blessing to Mr. Yeltsin's adventure. So should two other implications of what he has done.

It is true that Chechnya is at present legally a part of the Russian Federation. But for Western democrats that is not the end of the argument. The West believes in self-determination. A group of people are entitled to change their legal status — to become independent — if they form a recognizable entity, if they make their desire for change plain, and if there are enough of them to be taken seriously.

The Chechens, on current evidence,

pass those tests. Their claim to independence seems as good as, say, the claim of Irish Catholics to independence from England 80 years ago. Those who then opposed the independence of Ireland tended to dismiss the Irish as a marginal and unruly lot. Those who are now similarly dismissive of the Chechens ought to examine their historical consciences. The arguments they use to explain why Chechnya should continue to belong to Russia would have Dublin still under rule from London.

The other consequence of the attack on Chechnya is what it will do to the Russian economy.

Mr. Yeltsin's promise to cut Russia's budget deficit savagely in 1995 — a promise on which depends the backing of the International Monetary Fund and therefore the prospect of more Western help for Russia — was already looking rather hollow. The direct military cost of the Chechnya operation, and the indirect costs that will be added to the pile if Mr. Yeltsin in effect has to buy his army's loyalty, make even a semi-balanced budget look still more unlikely.

The longer the fighting goes on, the worse the economic effect will be. The IMF's blessing for the 1995 budget must now be in real doubt.

And if the Chechnya operation fails? Grozny can probably be bombed and besieged into surrender; the ragtag Chechen army may be unable to fight an

orthodox war. But it is still entirely possible that the Russians will find themselves entangled in a long, costly and humiliating guerrilla campaign in the mountains of southern Chechnya and, perhaps, in other parts of the Caucasus, too. The Russian army could split. Mr. Yeltsin may have to call an embarrassing halt to the whole business.

The political effects of this could go well beyond a mere rearrangement of power inside the present Russian establishment. Mr. Yeltsin would face the combined hostility of those who reckoned that this war should never have been fought, the nationalists who backed the war but would accuse him of having botched it, and an angrily alarmed and divided army. He might then not be able to save himself by offering scapegoats. His hold on the presidency would be in peril. And if Mr. Yeltsin fell, speculation about what would follow him makes the imagination boggle.

This is not a crisis in a far-off country about which Westerners need to know nothing. The fight over Chechnya draws bemused eyes to the distance that Russia still has to travel before it can claim to be either a stable democracy or a power whose view of the world fits in with that of the West. This distant conflict at Christmas time holds bigger lessons than most Western politicians yet seem to have realized.

International Herald Tribune

## Bashing the Wealthy Won't Salvage Many Votes for the Democrats

By Charles Krauthammer

WASHINGTON — The Democrats' race to catch up with the Republican revolution has taken two forms. President Bill Clinton, tacking right, offers kinder, gentler Gingrichism. The House Democrats, their rudder stuck on orthodox liberalism, offer something far more interesting.

Dick Gephardt, countered the Republicans' middle-class tax cut (and preempted his president) with one of his own. What was interesting was not his late-blooming postelection concern for the middle class. It was the way he couched his counterproposal. The Republican tax cut was for everyone making up to \$200,000 a year. His stops at \$75,000. The Republicans, thundered Representative Gephardt, keep favoring the rich. The Democrats are the party of the little guy.

As a play for an orthodoxy that has entirely run out of ideas, this is not a bad try. It coattails nicely on Republican pandering to the middle class, with the added punch of class warfare. Mr. Gep-

hardt's problem, however, is that like most liberals he plays the only class warfare he knows: anti-rich. And it doesn't work.

One reason for the current conservative ascendancy is its grasp of a fundamental truth about the American middle class: it may harbor the occasional envy-tinged resentment of the rich, but what class animus it has is directed against the poor.

That is why at the top of every one's list for reform — and at the top of the Clintonites' list of missed political opportunities — is welfare. In any national survey, what Americans imagine is spent on welfare is usually wildly out of proportion with what in fact is spent. This is a reflection of how deeply those who (as Mr. Clinton likes to put it) work hard and play by the rules resent those who don't and earn a taxpayer-funded paycheck for their nonlabors.

Victorian England drew a sharp distinction between two classes of poor, the "deserving"

and "undeserving." So do Americans. And they think there are more of the latter than the former. The latest New York Times/CBS News poll shows that more Americans think the poor are poor because of a lack of effort than because of circumstances beyond their control. Which is why by a margin of 4 to 1 they want to cut welfare.

Americans are quite prepared to carry the deserving poor: the disabled, the involuntarily unemployed, the widowed, the divorced, the abandoned (for whom the welfare program was originally intended). But not the undeserving poor, those who can work but don't, and especially those who earn the automatic right to a government stipend by dint of a single act of personal irresponsibility: bearing children that the mother can't and the father won't support.

Part of the Republican success in the political revolution of 1994 was harnessing middle-class resentment of the undeserving

poor. Against which House Democrats would like to deploy resentment of the rich. Bad choice. In the battle of resentments, the Democrats lose.

The middle-class attitude toward the rich is far more complex and, in the end, benign. Its most salient characteristic is simple fascination. "Lifestyles of the Rich and Famous" is not just an endlessly replayed television show. It is the theme of every other magazine cover in America. In the least class-bound, most socially mobile society in the Western world, class resentment against the rich is hard to fan. Do people resent Bill Gates or even Donald Trump? In America, the middle classes don't hate the rich; they want to join them.

The liberal demonization of the rich finds its ultimate expression not in Washington but in Hollywood. Television and film dramas have an amazing tendency to attribute violent crime not to the usual suspects — desperate lowlife — but to shadowy, nefarious (usually white male) executive types.

The premise is as politically correct as it is wildly improbable. The truth, alas, is that crime is generally an occupation of the poor. For obvious reasons. They need the money. And when the well-off do commit crimes, it is usually the white-collar variety, not the street crime that so terrifies the ordinary citizen.

People feel far differently about the accountant who embezzles than the thug who breaks into their car or holds them up for cash. Indeed, the very rarity of violent crime among the rich helps explain the national fixation on the O. J. Simpson case.

In a society as fluid as America's, it is not smart politics to base one's appeal on any kind of class warfare. But to base it on a resentment of the rich in particular, as Mr. Gephardt and old-guard Democrats would like, is even dumber. Who, after all, is more of a threat? The guy ahead of you, the one you are trying to catch up with? Or the guy behind you, the one who wants what's yours?

Washington Post Writers Group

## Today's Class Bout: Here the Gifted Few, There the Unskilled Many

By Richard Sennett

NEW YORK — According to the wisdom of America's new right, the reader and I are both out of touch. People who peruse newspaper editorials rather than listen to bluster radio form part of a cultural elite that doesn't understand the hopes and hates of ordinary Americans.

It isn't just those crocodile tears we shed for the underserving poor or our prissy insistence on separating church and state that puts us out of touch. Our very existence is offensive and threatening.

Popular resentment against elites is an old story in America, perhaps as old as the nation itself. But the story twists and turns as the elite changes.

In Andrew Jackson's time, the hated elite were landowners. In

John D. Rockefeller's time, they were industrialists. Today, no one would think Sam Walton an elitist. Instead of great wealth, the new elite possesses rarefied skills. It has addresses on the Internet rather than on Fifth Avenue. It knows how to do global as well as local business.

Most Americans are shut out of this new world. Seventy percent of the adult population does not know how to use a computer; most high school graduates cannot read a train schedule; a large minority cannot reckon simple interest on a bill.

The elite thrives on change, the mass fears it. In a dynamic society, the mass of people are constantly threatened by becoming

redundant, by being passed by. All they have is their willingness to work.

The new economy needs the mass of these Americans less as producers or workers than as consumers. A new study by the Demos Institute, an opinion-research organization in London, brings this divide into focus.

It shows a new attitude toward work among the young in Europe as well as America, a desire to work flexibly and individually, a loss of loyalty to corporations and a willingness to demand that employers make work more personally satisfying.

But only a fifth of young Americans have the training or skills to act on such desires. The other

four-fifths, who have no personal bargaining power, can only worry about getting some job, any job, even though they share the sentiments of the elite.

Under such conditions, feelings of inferiority become intensely personal. A snob doesn't appear to be someone who flings money about. Instead, unlike the ordinary person, he is confident that the future belongs to him.

It is not surprising that young men form the most conservative and anti-elitist segment of the population. They are in that crucible time of life when realities — from McJobs and the necessity of living with one's parents in one's 20s to the prospect of three-job marriages — dim hopes for self-determination.

As always, politics does symbolic duty for fundamental changes. The fear of government grown out of control is like the photographic print of a social and economic negative — a print of the fear that economic growth portends threat rather than opportunity, that the average person is likely to be left out of the spoils.

And this is a problem for us as well as them — enlightened and well-intentioned bourgeois that we are. When accused of being an elite, we fudge. Those crocodile tears for the sufferings of others prove that we are in touch. In the certain-to-be-immortal words of our president, "I feel your pain."

Others detect a certain condescension lurking in this sympathy. Or we promise to use our skills to design solutions to make things better — public policy solutions graced almost with the complexity of modern art. In promising to

solve for the masses what they have not solved for themselves, we show we believe we are what they fear we are: more competent.

Class has been the dirty secret of American history, denied by promises of individual freedom, by dreams of upward mobility and by memories of solid communities and coherent families — memories that prove on inspection only to be recovered-memory fantasies.

The plain fact is that in a new stage of capitalism, class divides Americans as ruthlessly as it did in the age of the Robber Barons. Politically, America has plunged into a new round of class warfare.

As I age, my crystal ball dims, but perhaps the only way to confront New Gingrich & Co. is to be honest rather than secretive about this warfare, for the right knows how to make mincemeat of privileged people who are evasive or paternalistic.

Yes, America is a divided society, and a secure, confident future belongs only to the educated few. Now what?

The writer, professor of history and sociology at New York University, is author of "Flesh and Stone: The Body and the City in Western Civilization." He contributed this comment to The New York Times.

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## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

**1894: Painting Survives**  
NEW YORK — Sir Thomas Lawrence's painting, entitled "Two Women," valued at \$11,000, fell from its easel at the Durand-Ruel galleries in New York this morning [Dec. 25], crashing through a plateglass window. It is a curious fact that the painting, which was uninsured and supposed to have been ruined, on examination was found absolutely unharmed while the insured window was shattered to atoms.

**1919: Bath in the Seine**  
PARIS — The race for the Coupe de Noël, one of the most interesting of Paris swimming contests, took place yesterday [Dec. 25] at the Pont Alexandre. Eighteen swimmers reached the water head first at the same time. From beginning to end the race was

Georges Pouilleux, champion swimmer and aviator. As he emerged from the water, Pouilleux was all smiles, and declared: "The water is excellent."

**1944: Anti-Semitism**  
PARIS — Several members of the French Consultative Assembly have drafted a proposal urging the French government to proceed with the immediate dissolution of two associations, which are said to engage in anti-Semitic propaganda. These two associations, it is asserted, have been formed since the liberation of Paris and are regularly and legally constituted with committees conducting an extensive anti-Semitic propaganda. One of these bodies is said to be openly conducting a campaign to maintain the administrators of Jewish properties appointed in agreement with the Germans.



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صلى الله عليه وسلم



## BOOKS

**BOREDOM: The Literary History of a State of Mind**  
By Patricia Meyer Spacks. 290 pages. \$24.95. University of Chicago Press.

Reviewed by Christopher Lehmann-Haupt

WHAT can there possibly be to say about boredom, which is surely one of the oldest of human emotions, certainly one of the least useful of feelings and simple enough to define as the state of mind arising from the absence of anything to arrest the attention? In her new book, "Boredom: The Literary History of a State of Mind," Patricia Meyer Spacks immediately contradicts these three assumptions.

First, she points out that however ancient the feeling may in fact be, the words bore and boredom weren't used until the 18th century. Some of the reasons boredom arrived just then, she theorizes, were "the emergence of leisure," "the decline of orthodox Christianity" and "the newly elaborated notion of individual rights," implying, among other things, the right not to be bored.

Second, she celebrates boredom as "an impetus to achievement," citing among other testimonials a statement by Nietzsche: "For thinkers and all sensitive spirits, boredom is that disagreeable 'windless calm' of the soul that precedes a happy voyage and cheerful winds. They have to bear it and must wait for its effect on them. Precisely this is what lesser nature cannot achieve by any means."

Third, Spacks complicates the idea of boredom by quoting a 1934 essay by the psychoanalyst Otto Fenichel, "The Psychology of Boredom," in which he calls boredom "a state of instinctual tension in which the instinctual aims are repressed but in which the tension as such is felt; and therefore one turns to the external world for help in the struggle against repression." Fenichel's definition proves useful to the author because it implies both an inner, or subjective, aspect to a person's experience of boredom and an outer, or objective, one.

So in her reading of literature from the 18th century to the 20th, Spacks is able to discern a shift in attitude from blaming subjective experience for boredom to ascribing it to the objective world. Another way she describes this shift is to call it a

"change from a moralistic to a sociological view of boredom."

Her project then becomes to document boredom's evolution in the last two and a half centuries, mainly in England, by reading "published writing—fiction, poetry, conduct books, sociological and historical description, personal letters—by members of the white middle class." Her texts encompass every writer from Samuel Johnson through Frances Burney and Jane Austen down to Donald Barthelme.

But setting forth on this path, Spacks begins to stumble. Her analyses of texts are so detailed and quirky that they are difficult to follow unless you have the books fresh in your mind.

Her focus seems to divide as she goes along, on the one hand aiming at the important issue of how 19th-century English middle- and upper-class women filled their increasing leisure time, on the other hand concentrating on the extent to which reading and writing are ways of countering boredom. The narrative seems to become muddled over which of these threads it would prefer to follow and ends up tangling them into a snarl.

Finally, whatever objective Spacks is driving at becomes hopelessly obscure when she reaches the 20th century. In her readings of 20th-century writers like Henry James, T.S. Eliot, Evelyn Waugh, Gertrude Stein, John Berryman, Barthelme, Saul Bellow and Anita Brookner, each case seems to stand by itself, diverging from or even contradicting the one that preceded it. Her prose grows contorted, sprouting sentences like "Boredom has become an embracing rubric of discontent" and "His insouciant bricolage glories in arbitrariness."

Most confusingly of all, when Spacks concludes that "20th-century novelists assume boredom as a point of reference, often taking it (as sociologists and journalists also tend to do) as the paradigmatic ailment of our time," she appears to have forgotten her earlier celebration of boredom as "an impetus to achievement."

If the author persuades us that the psychological root of boredom is conflict, she also convincingly demonstrates that the act of considering too many conflicting cases is finally—one hesitates to say it—boring.

Christopher Lehmann-Haupt is on the staff of The New York Times.

## Zail Singh Is Dead at 78, President of India in '80s

**The Associated Press**  
**CHANDIGARH, India** — Zail Singh, 78, the first Indian president from the minority Sikh community, died Sunday, nearly a month after he was severely injured in an automobile accident.

Mr. Singh was president from 1982 to 1987, during the height of the 10-year Sikh rebellion for independence in the northern state of Punjab. The militants maintained that Sikhs were discriminated against by majority Hindus.

In 1984, the Indian Army, acting on orders from Prime Minister Indira Gandhi, stormed the Golden Temple in Amritsar, Sikhism's most sacred shrine, where rebel leaders had established their command headquarters.

Mr. Singh was criticized by his own community for supporting Mrs. Gandhi, who was assassinated later that year by two of her Sikh bodyguards. After he left office, the president apologized to the Sikh community.

Born May 5, 1916, in the village of Sandhwan in Punjab, Mr. Singh trained to become a Sikh priest. He joined the independence movement against British rule and later was a

prominent leader of the Congress (I) Party in Punjab.

He became a member of the federal Parliament in 1980 and was home minister until he was nominated by Mrs. Gandhi as the party's presidential candidate.

**Solomon Gaon, 82, Scholar And Sephardic Jews' Leader**  
**NEW YORK (AP)** — Solomon Gaon, 82, a world leader of Sephardic Jews and professor of Sephardic studies at Yeshiva University in New York City, died Wednesday at Mount Sinai Medical Center.

The cause was pneumonia, said Herbert Dobrinsky, a Yeshiva vice president and a longtime associate.

At his death, Mr. Gaon was chief rabbi of congregations affiliated with the World Sephardic Federation. He had been a professor at Yeshiva since 1976 and also founded and directed its Jacob E. Safra Institute of Sephardic Studies.

**J.C. (Jody) Bateman, 75, a former fiddler in the western swing group Bob Wills and the Texas Playboys, Tuesday in Kemp, Texas.**

**Robert Osborn, 90, a caricaturist, cartoonist and satirist commentator known for both his superior drawing ability and his sharp wit, Tuesday of complications from bone cancer.**

**Hans Herlin, 68, a best-selling German novelist whose best-known book was "Commentaries," of a heart attack Tuesday at his home in southern France.**

**Sir Evelyn Shackburgh, 85, a retired British diplomat who in the 1950s specialized in Middle Eastern affairs and served as the private secretary of Foreign Secretary Anthony Eden, Dec. 12 in Watlington, Oxfordshire.**



Zail Singh, the first Sikh to become a president of India.

## Pope's Yuletide Message Bemoans Strife in World

**The Associated Press**  
**VATICAN CITY** — Pope John Paul II, appearing tired and frail, opened his traditional Christmas message on Sunday with a tribute to families, then recited a mournful litany of the wars causing a bloody swath across the world.

"As I look at families in the light of Christmas, I cannot but turn my thoughts to the greater human family, unfortunately torn by persistent forms of selfishness and violence," the Pope said from the central balcony of St. Peter's Basilica overlooking St. Peter's Square.

He cited the war "tearing apart the Balkans" as well as fighting in Russia, Angola and Rwanda.

Then he turned to the bloodshed born of Islamic fundamentalism in parts of Africa and the Middle East.

"What are we to say of the Sudan with its 'forgotten' war and of Algeria, where murderous violence holds the whole people hostage? And the very land where Jesus was born, does it not continue to be a theater of conflicts and a place of division?"

Earlier, about nine hours after he finished celebrating midnight Mass, the Pope returned to St. Peter's to lead the main Christmas Day service.

The Pope appeared tired and shuffled down the 300-foot main aisle. He has had problems walking since surgery to repair a broken thigh bone earlier this year.

As he left the basilica, the Pope stopped to shake hands with children along the aisle and waved with his right hand, the small finger bandaged after being hurt by a closing car door last month.

### Queen Calls for Peace

Queen Elizabeth II expressed hope on Sunday for peace in Russia and praised peace efforts in Northern Ireland and political changes in South Africa. Reuters reported from London on Sunday.

In her Christmas message to her subjects and to the 51-member Commonwealth, the queen said she would pray for peace around the world, especially in Russia.

She did not directly mention the fighting in Chechnya, but referred to her historic four-day visit to Moscow and St. Petersburg in October and the television version of her address showed footage from the trip.

"This Christmas, as we pray for peace at home and abroad, not least in Russia itself, we can also give thanks that such cathedrals and churches will be full and that the great bells, which greeted us, will be ringing out to celebrate our savior's birth," she said.

"I never thought it would be possible in my lifetime to join with the Patriarch of Moscow and his congregation in a service in that wonderful cathedral in the heart of the Moscow Kremlin," the queen said.

She also referred to peace efforts in Northern Ireland, where guerrilla cease-fires have guaranteed the most peaceful Christmas season in 25 years, and changes in South Africa, which rejoined the Commonwealth this year after its first all-race elections.

"Last Christmas we were witnessing the signs of a new dawn after the long night of bitterness and this year these signs have become steadily stronger," she said.

## Payment System Is Called Threat to Unicef Programs

**New York Times Service**

**UNITED NATIONS, New York** — Auditors for Unicef, the United Nations Children's Fund, warn that development efforts in poor countries may be undermined by a system in which relief agencies pay government officials to carry out programs that the agencies have already paid for.

"In some countries where Unicef cooperates, the productivity of government officials tends to be low because of inadequate salaries, frequent delays

or nonpayment of salaries to civil servants, thus making payments of incentives necessary," the auditors said after conducting a routine biennial review of accounts.

But the auditors cautioned that while the payment of "salary supplements" might help achieve short-term goals, it was dangerous in the long run.

"The moment we pull out, programs implemented this way will collapse," said an international aid expert. Such payments are particularly pervasive in Africa.

### 78,000 Immigrants

#### Settle in Israel in 1994

**Agence France-Press**

**JERUSALEM** — About 78,000 immigrants will have settled in Israel in 1994 by the end of December, officials announced Sunday.

Uri Gordon, head of the Jewish Agency's immigration department, said that about 66,000 were from the former Soviet Union.

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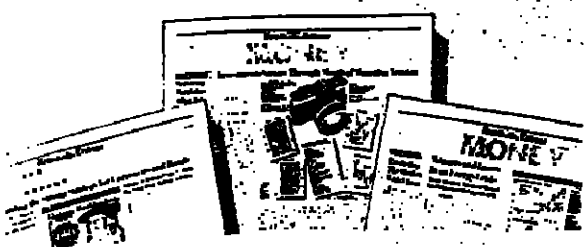
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### WHAT THEY'RE READING

• John Tolansky, administrator of the Music Performance Research Centre at the Barbican in London, is reading "A Ravel Reader" by Arbie Orenstein.

"Correspondence to and by Ravel, from Cocteau, Colette, Fauré, de Falla, Strauss and Stravinsky provide a colorful portrait of a complex personality with political, sexual and personal problems."

(Margaret Kemp, IHT)



## BRIDGE

By Alan Truscott

**COVER** the East-West hands shown in the diagram, and plan the play as South in seven hearts after the lead of the spade ten. The opponents have done no bidding, and are aware that you have a singleton spade.

The deal occurred in the final session of the National Swiss Team Championship. Both teams reached the excellent system heart contract. In the diagrammed auction, with Mark Stein and Boris Baran sitting North and South, two no-trump promised a heart fit with slam interest, three spades showed shortness, and the response of five diamonds to four no-trump showed three key cards — a modern variant of Roman Key-card Blackwood.

At both tables, a spade was led and dummy's ace won. Baran tested the trumps by leading dummy's king, and found that East had all those missing. He then tried to ruff both his club losers. But when he led to the club ace, ruffed a club, finessed the heart ten and ruffed the club ten, East was able to overruff.

In the replay, South led to the heart ace, cashed the club ace

and ruffed a club. He then cashed the heart king, took the marked finesse of the ten, and drew the missing trump with the queen. He then led a diamond to the queen, with the slight hope of collecting the jack, and ruffed a spade with his last trump.

The club king was cashed and dummy's diamonds scored the last three tricks. The Stein-Baran team lost.

<b>NORTH</b>			<b>EAST</b>	
♠ A 8 2			♠ K Q J 3	
♥ K 7 5 4			♥ J 9 8 3	
♦ A K Q 4 3			♦ 9 8 5	
♣ J			♣ 7 5	
<b>WEST</b>			<b>SOUTH (D)</b>	
♠ 10 9 8 7 4			♠ A Q 10 8 2	
♥ —			♥ 10 8 2	
♦ J 7			♦ A K 10 3	
♣ Q 9 8 8 4 2				

East and West were vulnerable.

<b>The bidding:</b>			
South	West	North	East
1♥	Pass	2 N.T.	Pass
3♣	Pass	4♣	Pass
4 N.T.	Pass	5♦	Pass
5 N.T.	Pass	7♥	Pass

West led the spade ten.



## CAPITAL MARKETS ON MONDAY

## Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending Dec. 23. Prices supplied by Telekurs.

Rat. Name Cntr. Maturity Price Yield

## Austrian Schilling

222 Austria 7% 10/18/94 99.000 7.4300

## Belgian Franc

205 Belgium 7 04/29/99 96.900 7.2200

## British Pound

205 ESI FRN 6.00 11/24/99 96.600 6.6300

## Canadian Dollar

216 Canada 6% 06/01/04 94.100 7.2125

## Danish Krone

15 Denmark 7 11/15/94 102.000 8.8200

## Deutsche Mark

11 Germany 7% 09/09/94 99.700 7.3200

## Dutch Guilder

21 Netherlands 5% 01/15/04 98.220 6.5200

## Euro

24 UK T-note 5% 01/21/97 95.120 5.5200

## Finland Markka

31 Finland 6% 09/15/94 97.447 6.6700

## French Franc

100 France OAT 5% 04/25/03 102.900 7.3800

## Italian Lira

217 Italy 5% 08/01/99 89.190 8.4400

## Japanese Yen

171 Japan 5% 12/15/04 100.870 5.6000

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## Peso Crisis Hurts Mexico's Prospects

By Tod Robberson  
Washington Post Service

WASHINGTON — Mexico's hopes for continued growth, falling inflation and strong foreign investor confidence have been dealt a severe blow by a currency crisis that devalued the peso by more than one-third last week.

Analysts in Mexico City and the United States said the crisis, although it had been brewing for some time, was touched off by the unexpected return of an armed rebellion in Chiapas by the Zapatista National Liberation Army.

The renewed uprising — and pictures of masked Indians standing guard at roadblocks in that impoverished Mexican state — added to international investors' skepticism about the rosy economic and social picture painted by government officials for 1995.

That skepticism was reflected in, and fueled by, the peso's troubles, which in turn undermined Mexico's attempts to present itself as a stable trading partner heading for prosperity alongside the United States and Canada in the North American Free Trade Agreement.

Over the next year, roughly \$58 billion in high-interest Mexican treasury bills will come due — including \$20 billion over the next 100 days. According to the rules under which the treasury bills were issued, the buyer can convert the proceeds to dollars on demand — and that is the basis for much of the international investors' concern.

As recently as late November, then-President Carlos Salinas de Gortari told American and Mexican investors that the Chiapas rebels had been tightly contained by what he called "three circles" — one military, one economic and one political — and that there was virtually no chance of their rebellion spreading beyond a government-recognized enclave in the Lacandon jungle near the border with Guatemala.

This month, the new president, Ernesto Zedillo Ponce de León, reiterated Mr. Salinas's claims and promised that Chiapas would not return to the state of open warfare that embarrased Mexico when the initial uprising broke out Jan. 1.

When the Zapatistas suddenly reappeared Monday, the Mexico City stock market index plummeted, and there was a stampede for dollars at banks and exchange houses. That moved Treasury Secretary Jaime Serra Puche the next day to reverse a pledge to keep the peso's exchange rate firm at 3.45 to the dollar and agree to a 15 percent devaluation.

On Wednesday, he removed limits on the exchange rate. Late Friday, the peso was quoted at 4.70 to the dollar, a rise of 36 percent in the dollar's value.

The uprising followed other signs of instability, such as two major political assassinations this year and kidnappings of prominent Mexican businessmen, that already had prompted international investment houses to counsel potential investors to exercise extreme caution regarding Mexico.

Standard & Poor's Corp. repeatedly postponed plans to raise Mexican debt to investment-grade status, and brokerage firms such as Merrill Lynch & Co. warned this year that the economic picture was not as promising as Mexican officials were saying.

"What did they know that we didn't know?" a financial analyst in Mexico City asked. "Whatever it was, they were right."

The analyst in Mexico City said international investors began showing signs of nervousness in October, around the time government officials were touting the United States with predictions of annual inflation below 5 percent, economic growth exceeding 4 percent and a resurgence in the peso's value.

As recently as Dec. 1, the date of Mr. Zedillo's inauguration, the government said reserves at Mexico's central bank stood at \$14 billion — more than enough to keep the peso stable.

"The numbers just did not add up. Many people are seriously upset with this entire scenario," the analyst said. "They feel they were handed a line that everything was fine. Obviously it's not. The attitude everywhere is like, 'We're being had.'"

The analyst said the biggest warning sign for investors was an announcement by Mr. Serra Puche in mid-December that hard-currency reserves in the central bank were actually \$6.5 billion, less than half of what had been claimed.

"Chiapas was the detonator for this crisis, but it certainly wasn't the basis for it," this analyst said. "People are going crazy because they're realizing the money just isn't in the central bank anymore."

Economists also say that, with the steep peso decline, a return to double-digit inflation is likely.

Fidel Velásquez, who heads a national labor union of more than 5 million members, urged the government last week to negotiate a planned 10 percent increase in the minimum wage, due to take effect at the start of the new year, because he did not believe it would sufficiently compensate workers for the inflationary effects of the peso devaluation.

The devaluation also is expected to have ripple effects on the United States. Although it will make Mexican products cheaper and thus should lead to increased exports — and a narrower Mexican trade deficit — it is unlikely that Mexican factories will greatly increase employment as a result.

Rather, Mexican workers will be increasingly likely to cross illegally into the United States to find work, given the fact that every dollar sent back to Mexico now will purchase far more pesos than it would have even one week ago.

In addition, the average Mexican's ability to purchase U.S. consumer goods is likely to drop, hurting U.S. exports across the border, analysts said.

## New Year's Celebrations Are Likely to Be Brief

Compiled by Our Staff From Dispatches

NEW YORK — This week is expected to bring the credit markets a short respite as what analysts described as an "ugly" 1994 fades into a potentially equally troublesome new year.

Money flows are expected to be thin, with no reason for market participants to go in with a bang at the end of a year that saw the benchmark 30-year Treasury bond's yield shoot up from 6.34 percent on Dec. 31, 1993, to as high as 8.19 percent on Nov. 14.

The issue's yield closed at 7.83 percent Friday, compared with 7.85 percent a week earlier.

Few in the market were surprised when the Federal Reserve Board decided Tuesday not to push interest rates higher. But many said the central bank had only put off action until early 1995, and that conviction will probably keep the markets on edge for at least the first month of the year.

The Fed's sixth rate increase of the year came Nov. 15. Many analysts and market participants expect it to act again when its policy-making Open Market Committee meets Jan. 31 and Feb. 1.

Even though inflation as measured by the consumer price index was running at a modest 2.7 percent for the first 11 months of the year, the same as for all of 1993, the Fed is concerned that the U.S. economy is growing enough to make inflation a problem in the near future.

The Fed's goal is to slow the economy's growth to around 2.5 percent, which many of its members seem to regard as the optimum rate for noninflationary expansion.

When the Treasury last week had to pay higher-than-expected yields to auction its new issues of two-year and five-year notes, an analyst called it "an ugly end to an ugly year" in the market.

There will be no more sales of long-term Treasuries until late January. On Tuesday, the Treasury is to sell \$13 billion each of three-month and six-month bills. Trading on a when-issued basis Friday, they were yielding 5.70 percent for the three-month, and 6.53 percent for the six-month bills.

Even the market for federal funds, or overnight loans of reserves among U.S. banks, which saw wide swings at year-end during the middle 1980s, appears relatively stable this year, though that could still change.

The funds rate becomes volatile at the end of the year as the Federal Reserve Board struggles to estimate the reserves that will be needed in the monetary system as investors, portfolio managers and banks scramble for the funds needed to make year-end adjustments to their portfolios.

Kevin Flanagan, money market economist at Dean Witter Reynolds Inc., pointed out that this is the first time in five years in which the year-end scramble for funds will be taking place in an environment of Fed tightening. This, he says, will cause participants to try to lock in funds as soon as possible and tend to rule out any frantic final-day push.

Mr. Flanagan also said a net payment of \$33.65 billion by the Treasury on Thursday on maturing cash management bills and the fact that the just-auctioned two-year and five-year notes have a settlement date of Jan. 3 instead of the usual Dec. 31 will help mitigate any squeeze on funds.

"People's expectations that it could be a tight year-end have evaporated," said Peter Kretzmer, an analyst with NationsBanc Capital Markets.

(Knight-Ridder, Bloomberg, WP.)

## U.S. CREDIT MARKETS

Compiled by Our Staff From Dispatches

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INTERNATIONAL STOCKS

After Some Dark Hours, Italy Sees Signs of Dawn

By John Tagliabue  
New York Times Service

ROME — It was a week when Italians asked themselves whether they should be watching politics or the economy. This time the two looked more inextricably linked than they had been in a while. The ill-starred government of Silvio Berlusconi, the tycoon-turned-prime minister, was pulled down on Thursday by his squabbling coalition partners. On the same day that Mr. Berlusconi handed President Oscar Luigi Scalfaro his resignation, the governor of the Bank of Italy, Antonio Fazio, warned of a worsening financial situation, one marked by signs inflation was rising and that rates were pressing upward.

Yet, as Italians braced for a Christmas of uncertainties, the stock market in Milan posted five consecutive sessions of recovery, after a slide that had seen equity prices slip more than 25 percent since May. The lira was holding steady, if not gaining, against leading currencies such as the Deutsche mark and the dollar.

Indeed, signals were strong that foreign capital was flowing back into Italy, attracted by the high yields of government bonds and the bargain prices of Italian equities. The strength of the stock market was being fueled by indications from industry of a nascent but strong business recovery.

From 1992 to 1994, the two governments before Mr. Berlusconi's had taken giant strides toward bringing public spending under a semblance of control. Scrapping a murderous system of wage indexing that pegged pay increases to the inflation rate, they brought the growth in Italy's cost-of-living index down to less than 4 percent, only slightly above the European average.

Mr. Berlusconi's short-lived administration struggled to maintain the momentum, cutting \$30 billion from the budget deficit in a 1995 budget bill.

So even as the government was tumbling, some major investment brokerage firms were mildly bullish, betting that the departure of Mr. Berlusconi might break a political impasse, perhaps by means of fresh elections after a brief interim government.

Yet this week, as the Italian Treasury set its bond schedule for the first quarter of 1995, nominal interest rates on bellwether government bonds were set at a percentage point higher than this year's. Mr. Fazio reminded Italians that, given the size of the public debt, every 2.5 percent increase in interest rates raises by the equivalent of \$22 billion to \$25 billion the cost of servicing the public debt, now a staggering \$1.2 trillion.

Some analysts were concerned that the political crisis would undermine Rome's resolve in fighting inflation and reducing the budget deficit, widening the spread between yields on Italian and German government bonds, the European benchmark.

Signals are strong that capital is flowing back into Italy.

Asian Broadcasters Straddle a Diverse Web of Rules

By Richard Covington  
Special to the Herald Tribune

GUANGZHOU, China — The half-naked male models wildly gyrating in a German fashion show make the cut on this locally produced Guangzhou city television station. Across town, on the more widely dispersed provincial station, covering all of the southern China province of Guangdong, they would not have a prayer.

The same goes for "Ultraman," the animated Japanese series judged too violent by the provincial station, but allowed to air to the 300,000 cable viewers of the local Guangzhou affiliate.

Far from being monolithic, Chinese television

presents a welter of erratic censorship, unenforced regulation and unpredictable latitudes of program content and standards of freedom that vary from province to province and city to city.

In the official line on Chinese television, "the audience is the market and the government is the master," according to Xu Xiongqiong, general manager of China Central Television's program agency. The reality is somewhat more flexible. As the broadcaster elaborated, "the government intent is not to ban foreign programming, but to have it under control."

Throughout Asia, as the region braces for a rising tide of new channels, satellites and foreign programming, Western and Asian television pro-

ducers are engaged in delicate balancing acts, attempting to tap into the burgeoning Asian audience without offending local morals and restrictive governments.

"Three years after STAR-TV brought the satellite age to Asia, governments here are grappling with the invasion, trying to minimize the impact," said James Y.C. So, Hong Kong's secretary of recreation and culture. At stake is an exploding market, where average annual economic growth is around 10 percent and English-language programming alone is predicted to jump five times within the next four years, according to David Murrell, Asia media analyst with KPMG Peat Marwick.

The region's viewing public is estimated at 322 million households, accounting for around \$300 million of the \$3 billion total of overseas revenue to U.S. television producers.

Most governments in the region limit television imports to between 15 and 30 percent of program schedules — with the standout exception of Taiwan, where foreign programs account for 80 percent of air time, according to Susan Schoenfeld, media analyst for Hong Kong-based Advisors for International Media. But with the number channels doubling each year, the appetite for all kinds of programming is taking off.

See MEDIA, Page 7

Hoechst's Copley Has a Drug Problem

By Susan Diesenhouse  
New York Times Service

CANTON, Massachusetts — By the spring of 1993, things were not looking good to Mark Riley.

As a quality assurance inspector at Copley Pharmaceutical Inc. — a relatively young company that would soon be taken over by the German chemicals giant Hoechst AG — he did not like the way his company's plant in Canton was making Albuterol, an asthma drug that was its hottest product.

Only 15 miles (24 kilometers) away, at the company's plant in South Boston, Mark's twin brother, Michael, was voicing similar concerns about how the company was making Bromphenol, an antihistamine that was its fifth-biggest seller.

The brothers have since quit the company and taken their concerns about

Copley's manufacturing practices to federal authorities.

Company executives say the Rileys' accounts of their combined tenure of eight years at Copley are just not true. But the company will be dealing with their allegations for years to come, and their accusations have been echoed by other former employees and by U.S. Food and Drug Administration records.

A year ago, Copley's reputation was pristine. The company had not been tarnished by the bribery scandals that engulfed much of the generic-drug industry a few years earlier, and it had Wall Street's admiration for its apparent ability to show above-average profits and keep coming out with new products while adhering to the highest government standards.

Hoechst Celanese, a subsidiary of

Hoechst AG, agreed in October 1993 to pay \$546 million, or \$55 a share, for a 51 percent stake in the company.

But this year, Copley had to recall all 3.7 million bottles of Albuterol it had ever made because of possible bacterial contamination, and all 55 million tablets of Bromphenol made since September 1992 because of lapses in quality control.

Lawsuits are piling up from about 100 consumers who say they were injured by Albuterol, or from their survivors. With the stock languishing — it closed Friday at \$14.375, down 74 percent from the price Hoechst paid and only 13 percent above its initial offering price in 1992 — shareholders have also sued, accusing the company of misleading them about its problems.

The company is under investigation. See COPLEY, Page 9

China Draws Up Plan to Battle Inflation in '95

Compiled by Our Staff From Dispatches

BEIJING — China has mapped out a seven-point program for 1995 to tackle the country's high inflation rate, the China News Service reported over the weekend.

Consumer prices across China rose at an annual rate of 27.5 percent in the first 11 months of 1994, fueled by rising food prices and double-digit economic growth.

Fighting inflation has become China's top priority amid concerns in Beijing that rising prices might cause social unrest that could jeopardize the Communist Party's control of the country.

To counter this, China plans to set a reasonable growth rate for 1995, taking into account inflation, China News Service said Saturday. Last week, the State Planning Commission indicated the growth target would be 9 percent to 10 percent, with inflation at 10 percent.

China's gross domestic product is set to rise more than 11 percent this year, substantially overshooting the 9 percent target set in March by Prime Minister Li Peng.

In southern China's booming Guangdong Province, growth will hit 18 percent for 1994, Xin-

hua news agency said Saturday. Another key measure in 1995 will be to direct investment to agriculture, the report said. This year, China has been forced to raise prices paid to farmers to offset rising producer prices.

The other points of the program are to strictly control investment in fixed assets; improve food distribution; link industrial production to supply and demand; carefully control prices for commodities such as grain, edible oil, cotton, vegetables and chemical fertilizers; and restrain growth in consumption, China News Service said.

Investment in fixed assets by state enterprises grew 25.54 percent year-on-year in November, bringing the overall expansion rate this year to 38 percent.

The Chinese government has tightened credit to curb speculative investment but continues to channel funds to ailing state enterprises, 44 percent of which lost money in the first nine months of this year.

Another report Saturday said 38 companies in the central Chinese industrial city of Wuhan, including 25 in the state sector, had declared bankruptcy by the end of November. (Bloomberg, Reuters, AFP)

Time Warner Said to Plan Expansion in Cable

By Geraldine Fabrikant  
New York Times Service

NEW YORK — Time Warner Inc. is reported to be asking Itochu Corp. and Toshiba Corp. to put up as much as \$300 million apiece to help it buy more cable television systems.

Time Warner was closed for

the holidays and executives could not be reached to comment on the report, which appeared Friday in Nihon Keizai Shimbun.

Itochu and Toshiba are already investors in Time Warner Entertainment, the Time Warner division that owns its cable systems, Home Box Of-

fice and Warner Brothers. The two Japanese companies each own about 5.6 percent of Time Warner Entertainment, while U.S. West Inc. owns about 25.51 percent.

There was no indication Friday as to whether the two Japanese companies were interested.

Time Warner, however, has indicated that it was interested in expanding its cable holdings, and there has been speculation that it would like to acquire Cablevision Corp.

In recent months, the cable industry has been consolidating. Moreover, large operators

such as Time Warner have been trying to concentrate in specific markets. Time Warner is the second-largest U.S. cable system operator, after Tele-Communications Inc.

A spokesman for U.S. West refused to comment on the Japanese newspaper's report, although that company has also indicated that it would like to increase its cable interests.

There have been recent reports that Time Warner might seek to restructure Time Warner Entertainment, in part to bolster the parent company's sagging stock price.

Sharpshooting Novice Hits the Profit Target

By Thomas Crampton  
International Herald Tribune

HERIOT, Scotland — Malcolm Borthwick likes Americans because they can't shoot straight.

"They are good stock preservers, so you know, 'He'll fly another day,'" Mr. Borthwick said, tracing the imaginary flight path of a fortunate grouse across the dining room ceiling with his forefinger.

The Englishman also likes Americans because they like him.

"We offer the old ambience. This is sort of an Edwardian time warp run to modern standards," he said.

Of course, there is the money. "It is well known that in America there is a higher level of disposable income than in Europe," he said.

Americans have not always come to shoot birds at Raesha House. In fact, almost nobody lived in the nine-bedroom shooting lodge for 30 years, until Mr. Borthwick restored it in 1976 to turn the estate into a profit-making shoot.

A shoot that makes money is a rare bird. Most are run by people of means, purely for pleasure. Also rare: Mr. Borthwick is interested in selling the family estate and business.

When at age 37, Mr. Borthwick inherited the derelict lodge on 12,600 acres (5,116 hectares) of bleak Scottish moorlands — along with a £1 million (\$1.5 million) debt — he was advised to sell quickly.

"My father came to visit me in the United States. He said to me, 'This way of life is gone. No one will ever be able to afford this again. Shooting is a thing of the past,'" Mr. Borthwick said.

Instead, Mr. Borthwick dropped his career in the meat business, went to the London Business School on a Sloan fellowship and tried to learn how to raise and shoot grouse and pheasant.

This was no easy task. Mr. Borthwick's only country experiences were from childhood. But he persuaded the old head gamekeeper to postpone retirement and teach him the trade.

The biggest difficulty is raising grouse. Unlike pheasant, they must be bred where they are to be hunted and cannot be brought in from elsewhere in a bad year.

The old gamekeeper relied on intuition and experience to estimate each season how many grouse could be shot before damaging the breeding stock.

Mr. Borthwick set up a table he called the "Raesha Ready Reckoner" that allowed him to make such calculations on the basis of historical data and a count of grouse eggs in a given area.

Even before he understood the subtleties of burning heather (to make room for new growth) and controlling vermin (killing rabbits), the first paying clients arrived. At the beginning, the "guns," as they are known, came from England, but Mr. Borthwick wanted Americans.

"I knew from living over in New York that people were keen on duck hunting," Mr. Borthwick said. "To be able to say: 'Would you like to come grouse shooting? There are no limits, and this is the doyen of wing shooting,' it wasn't difficult to find people who said 'Wow, I'd like to do that.'"

Mr. Borthwick depends exclusively on word of mouth to sell his grouse-hunting sojourns, which go for \$3,000 to \$9,000 a week. He refuses to use an agent and says he does not even have a brochure.

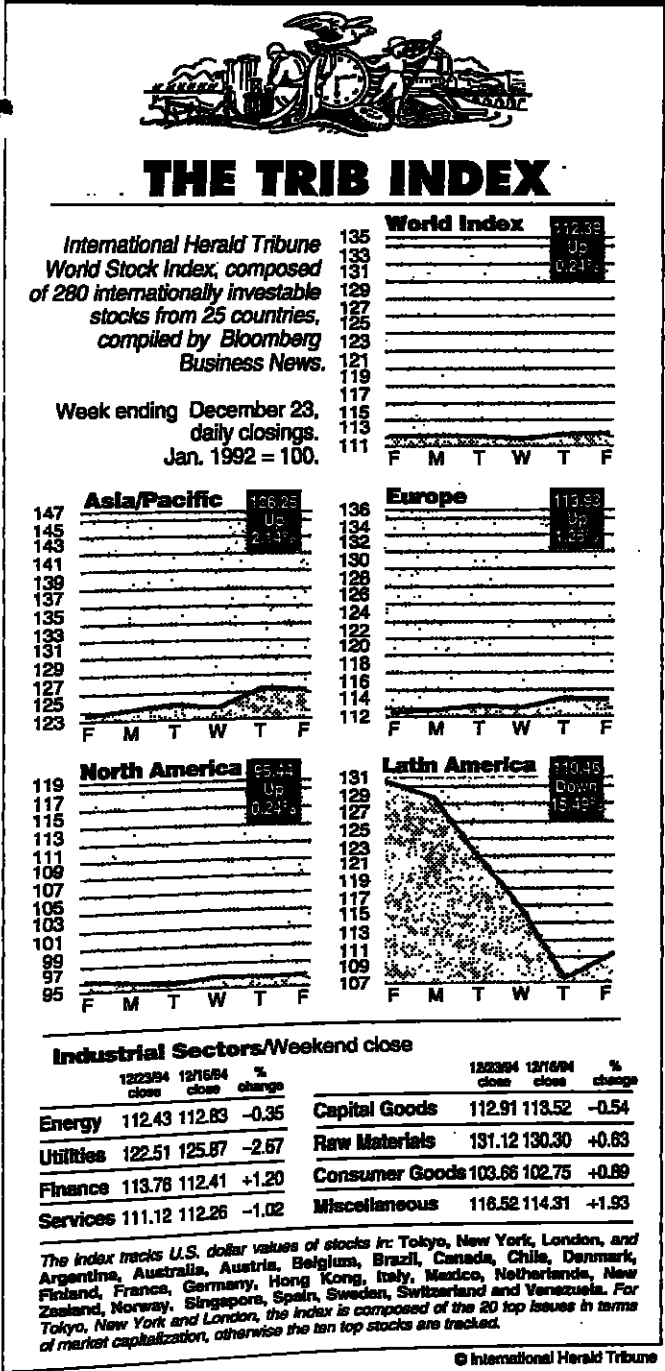
He simply asks those who have enjoyed the hunt to organize a reunion among themselves back in the United States. Each spring, Mr. Borthwick travels to these gatherings, shows photographs of the estate and then lets his former clients do the promotion work for him.

But now that he has transformed a dubious inheritance into a solvent company with its debts repaid, Mr. Borthwick wants to sell the place, not pass it on to his children — an unusual plan in a country where people often hang onto family estates at great personal cost.

"As a generational thing, an estate is a terrible thing to take on unless you have enormous net worth to stand the downside risk," he said. "Certainly my children don't have that net worth, and I knew they never would."

"Inheritance is a highly emotional thing. It is not a business decision, and as a result, people don't look at it with the same disciplines that I look at it, because my strategy was different. I decided that I would turn the estate around and sell it, and in that way make my money."

Articles in this series appear every other Monday.



# CURRENCY RATES

Dec. 23

## Cross Rates

	U.S.	D.M.	£/S.	Liras	D.P.	B.F.	Y.F.	Y.	₹	Peso
Australian	1.264	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Canada	1.364	58.073	1.314	5.945	1.319	8.703	1.324	1.329	1.324	1.324
France	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Germany	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Japan	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
UK	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Switzerland	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Italy	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Spain	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Sweden	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Norway	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Denmark	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Finland	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Greece	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Portugal	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Belgium	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Netherlands	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Austria	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Poland	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Czech Rep.	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Slovak Rep.	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Hungary	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Slovenia	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Croatia	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Serbia	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Bosnia	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Herzegovina	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Montenegro	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Albania	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Bulgaria	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Romania	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Moldova	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Ukraine	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Belarus	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Lithuania	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Latvia	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324
Estonia	1.364	2.7	1.319	1.329	1.319	5.462	1.324	1.329	1.324	1.324

U.S. dollar (Australia, London, New York, Toronto and Zurich, Mexico in other currencies).

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## Close of trading Friday, Dec. 23.

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**INTERNATIONAL CLASSIFIED**

(Continued From Page 6)

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1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

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# MONDAY SPORTS

## One Man Turns the Ponies to Profit

By Andrew Beyer  
Washington Post Service

**HONG KONG** — Because of all the uncertainties involved in horse racing — dishonesty, racing luck, the human element — handicapping seems a very inexact science. But when Mr. B. set out to study the races in Hong Kong, he attempted to do so with a purely mathematical approach. His success has made him a wealthy man.

Unlike most students of the game, Mr. B. never sought to devise a system for picking winners. Instead, his goal was to rate each horse's probability of winning. He wanted to know that a horse has a 12 percent chance of winning — just as he had been able to calculate, as a blackjack gambler, that under certain conditions the player had a 51 percent chance of success.

He found his inspiration in an obscure book, "Beating the Races With a Computer," by Brecher. Brecher took every important handicapping factor — speed, class, weight, jockey — and devised ways to give each horse a numerical rating in each category. Then a computer would analyze past results and determine the optimal way to weight those factors. This is hardly novel: Plenty of mathematically inclined handicappers have done the same, and they haven't won millions. The reason, Mr. B. recognized, is that most mathematical ratings are too simplistic to be of much use.

Take for example, the distance factor. How do you rate a horse's suitability at today's distance? Brecher's book proposed giving a horse a value of 1 if he had finished within six lengths of the winner in a race within one-sixteenth of a mile of today's distance; otherwise, he'd get a 0. Mr. B. wondered, "Can every sublety in this factor be expressed by either 1 or 0?"

He knew the answer was no.

Using regression analysis, he looked at all the other handicapping factors except distance to predict a horse's finishing position in a race. Then he looked at the actual finishing position and the difference, or residual, was what he took to be the effect of the distance factor.

At first he started looking for a linear relationship between performance and distance — what would amount to a neat straight line on a graph. But when he

realized that the true graph of this relationship was more likely to be a curve, he hired a university mathematics professor to study the factor further. He recently got a fax from the professor, who said, in part, "We must assume that the distance preference curve is quadratic with no possibility of a local minimum. This means that admissible curves are those over any subsets of regions A1, A2, A3."

No, I don't understand it either. But this is the way Mr. B. has approached

**"If you know the probabilities and have access to the calculating power, there's no room left for debate."**

Mr. B., successful gambler.

each of the factors in his computer model — and there are 120 of them.

After weighing all the factors, the computer assigns each horse a rating and then translates it into his percentage chance of winning today's race. I scoffed at the notion that a computer could be so precise and know that a horse has exactly a 2 percent chance of winning a race. But Mr. B. produced a set of statistics showing that, indeed, the horses with a 2 percent rating win roughly 2 percent of the time. The 10 percent horses win roughly 10 percent of the time.

After his handicapping software has finally generated the probabilities on a race, Mr. B.'s betting software takes over. The Royal Hong Kong Jockey Club disseminates its odds electronically, and those odds can be fed directly into the computer, which compares them with the probabilities and looks for bets that offer value.

If a horse has 1 chance in 10 of winning, and he is at 5 to 1 odds, the computer shuns him. If the same horse is 12 to 1, that's a 20 percent overlay. The computer would give a horse a rating of

1.20 and dictate a wager on him. Of course, win betting is the easy part. The computer also calculates the probability of every quinella and trifecta combination and compares it to the expected payoff, looking for overlays in these pools too. The computer dictates a bet on any combination whose potential payoff exceeds its probability. The greater the overlay, the greater the size of the wager.

The computer calculates the optimal size of each bet, which sounds like a daunting task. But Mr. B. gestured to a book called "The Theory of Gambling and Statistical Logic" by Richard A. Epstein, and said, "Betting strategy is a solved problem. If you know the probabilities and have access to the calculating power, there's no room left for debate. Only when people are dealing with uncertain probabilities do they have to resort to rules of thumb."

Since he began his operation nearly a decade ago, Mr. B. has experienced only one losing year — a random fluctuation of luck, he says. He has won so much money and amassed such a mammoth stake that he now is constrained from betting as much as he would like. Even in the huge Hong Kong betting pools he could knock the odds askew.

Yet he looks with a sense of wonderment on his own success, knowing that it was not foreordained.

"I'm staggered," he said. "I didn't know this was going to happen. There could have been any of a number of impediments. The racing could have been dishonest. Or the Jockey Club could have taken countermeasures against us."

Perhaps Hong Kong is the only place where his method could work. Although Mr. B. said "somebody ought to try to do this in America," he said he knew that Hong Kong was the perfect laboratory for his computer analysis. With only two tracks and 900 thoroughbreds, and no horses shipping in or out, the computer can master all of the relevant factors much more easily than it could in the United States. It is likely that Mr. B.'s success was an extraordinary juxtaposition of the right time, the right place and the right man, and that no horse bettor ever again will achieve what he has done.

## Rough Sailing for America's Cup Competition

By Barbara Lloyd  
New York Times Service

**SAN DIEGO** — If the America's Cup racecourse were an amusement park, the dominant ride unquestionably would be bumper cars.

Several collisions during practice races off San Diego in the past two weeks have left the 75-foot racing boats battered and battered. But there have been no injuries and few of the sailors seem all that concerned.

"We're practice racing, and that in itself lets the aggression come out," said Hartwell Jordan of San Francisco, a sail trimmer on the Japanese team. "We're battling away, but it's all in good spirit." The first formal races among cup yachts are scheduled to begin Jan. 12.

Indeed, Spirit of Unum, the training boat for the PACT 95 defense syndicate, was barely able to stay afloat after a collision last Tuesday with Ville de Paris, a practice boat for the Defi 95 French challenge. The crew was almost ready to break out its contingency supply of air bags — yes, boats have them, too — for popping into the whole like oversized life jackets.

It took "extremely good seamanship" to keep the boat from sinking, said Kerry Geraghty, yard manager for PACT 95. In what is known in yacht racing parlance as a T-bone collision, the bow of Ville de Paris slammed broadside into the midship section of Spirit of Unum. The four-foot wide hole just above the waterline on Spirit of Unum looked like a cardboard cutout of the French yacht's bow.

While both sides suggested that it was the other team's fault, no one seems to be pressing the issue. The cost of repairing the PACT 95 boat has not yet been determined. But the syndicate said it planned to retire the boat that day anyway.

"It hasn't set our program back at all," said Geraghty, noting that the team's new cup yacht, Young America, was being prepared for its Jan. 7 commissioning ceremony in San Diego.

The Ville de Paris was involved in two other collisions, both with Nippon '94, one of two new Japanese boats scheduled for the 1995 America's Cup trial races.

A Dec. 14 accident left the French boat with a bucket-sized gash out of its stern, leaving a black scar there for the next practice round.

"For us, the beauty factor is not important right now," said Barbara Barrielle, a spokeswoman for Defi 95.

Two days after that, Ville de Paris and Nippon banged into each other again. The impact resulted from the stern of Ville de Paris swinging around into Nippon's bow. Bertrand Pace, the French tactician, and Thierry Peponnet, Defi's alternate skipper, were tossed into the water.

"When we saw the video of the collision that night, we all had a laugh," Barrielle said. "Before Thierry was knocked off the boat, he was about to raise a protest flag. When he surfaced in the water, he was waving the flag."

A sense of humor has carried the French team through more than its share of calamities since arriving in San Diego three weeks ago.

Moving its entourage, which the syndicate described as "80 workers, 30 spouses, 31 children, a dog and a cat," was the easy part. Getting its boats squared away was not.

The crew watched in horror as France 2-3, the first of their two new boats, was dropped like a rock on the tarmac at the San Diego compound. It was being lifted into the water by crane for a day of practice racing against the older Ville de Paris.

An inspection revealed that the boat's internal lifting box — a reinforced structure used for moving the craft — had torn away, causing the yacht to fall onto its keel. The crash forced the keel up into the deck and ruined the mast.

The damage was not as extensive as it could have been, with the crew's ability to do much of the repair work itself holding the repair bill below an initial estimate of \$1 million.

"It was like a bullet passing

through the chest and not touching any internal organs," David Kilponen, a syndicate specialist said. The boat is expected to go back in the water early this week. The team's new boat is scheduled to begin sailing by Jan. 2.

"It got so that at the end of each day, the crew was looking at each other and saying, 'Well, what do we do tonight?'" Barrielle said. "But I think they would rather get out there and get hit with an old boat than sail cautiously."

## SIDELINES

### Yankees' Abbott Turns Free Agent

**NEW YORK (AP)** — Jim Abbott, an Olympic star who lived up to expectations in New York despite pitching a no-hitter in 1993, became a free agent when the Yankees didn't offer a 1995 contract.

The Yankees declined to give Abbott a qualifying offer of at least \$3 million, 10 percent more than his 1994 salary, the amount required to keep him a restricted free agent under the rules imposed Friday.

Abbott came to the Yankees from California on Dec. 6, 1993. The previous two years he had ERA's of 2.77 and 2.89, and went 18-11 in 1991. However, he was 11-14 with a 4.57 ERA in New York in 1993, despite pitching a no-hitter in one of his moments of Yankee glory on Sept. 4, and he was 9-8 with a 3.54 ERA in the strike-shortened 1994 season.

### Maradona to Coach Another Club

**BUENOS AIRES (AP)** — Diego Maradona has signed on as coach of Racing Club, his second coaching stint since a failed attempt to coach the Argentine national team.

Maradona signed a one-year contract reportedly worth \$500,000. He lasted eight weeks in his first coaching job at Deportivo Mandiyu. He quit in early December after his team lost in the standings, won just one match of 12.

Racing Club last won the first division title in 1966, and last following year it beat Scotland's Celtic to win the Intercontinental Cup. The club has fired 50 coaches in the last 20 years.

### For the Record

**Seen Sor Florent of Thailand** retained his World Boxing Association flyweight title on Sunday when he knocked out Danny Nunez of the Dominican Republic in the 11th round of their 12-round fight. (Reuters)

**Prosecutors have decided** against filing criminal charges against a police officer who shot a man in the head with a plastic bullet during Stanley Cup rioting in June in Vancouver. (AP)

## SCOREBOARD

### NBA Standings

EASTERN CONFERENCE			
Team	W	L	Pct.
Orlando	21	5	.808
New York	12	11	.522
New Jersey	12	16	.429
Boston	10	15	.400
Philadelphia	9	16	.360
Miami	8	13	.385
Washington	7	16	.304
CENTRAL DIVISION			
Cleveland	17	8	.680
Indiana	15	8	.652
Charlotte	14	11	.560
Chicago	12	12	.500
Atlanta	11	15	.423
Detroit	9	14	.391
Milwaukee	7	17	.292
WESTERN CONFERENCE			
Team	W	L	Pct.
Utah	18	8	.692
Houston	14	9	.609
San Antonio	13	9	.591
Dallas	12	10	.545
Denver	12	11	.522
Minnesota	10	19	.347
PACIFIC DIVISION			
Phoenix	15	4	.789
Seattle	12	7	.632
L.A. Lakers	10	11	.476
Portland	10	14	.417
Sacramento	11	11	.545

### FRIDAY'S RESULTS

Team	Score	Team	Score
Golden State	95-85	Indiana	101-95
L.A. Clippers	101-95	Chicago	101-95
Philadelphia	101-95	San Antonio	101-95
Boston	101-95	Dallas	101-95
Portland	101-95	Denver	101-95
Phoenix	101-95	Seattle	101-95
San Diego	101-95	Los Angeles	101-95
San Jose	101-95	San Francisco	101-95
San Jose	101-95	San Francisco	101-95

### Top 25 College Results

Team	Score	Team	Score
1. Michigan	64-44	25. Texas	64-44
2. Duke	64-44	26. Kentucky	64-44
3. North Carolina	64-44	27. Virginia	64-44
4. Kansas	64-44	28. Arizona	64-44
5. Indiana	64-44	29. Iowa	64-44
6. Ohio State	64-44	30. Wisconsin	64-44
7. Illinois	64-44	31. Missouri	64-44
8. Texas Tech	64-44	32. Oklahoma	64-44
9. Wake Forest	64-44	33. Baylor	64-44
10. Georgetown	64-44	34. Stanford	64-44

### NFL Standings

Team	W	L	T	Pct.
San Francisco	12	2	0	.857
New Orleans	10	4	0	.714
Atlanta	7	7	0	.500
L.A. Rams	4	12	0	.250
AMERICAN CONFERENCE				
Team	W	L	T	Pct.
New England	10	4	0	.714
Indianapolis	8	6	0	.571
Buffalo	7	9	0	.438
N.Y. Jets	6	10	0	.385
NATIONAL CONFERENCE				
Team	W	L	T	Pct.
Pittsburgh	11	5	0	.688
Cleveland	10	6	0	.625
Cincinnati	9	7	0	.563
Houston	7	9	0	.438

### INTERNATIONAL FRIENDLY

Team	Score	Team	Score
U.S. vs. Yugoslavia	1-0	U.S. vs. Yugoslavia	1-0
U.S. vs. Yugoslavia	1-0	U.S. vs. Yugoslavia	1-0
U.S. vs. Yugoslavia	1-0	U.S. vs. Yugoslavia	1-0
U.S. vs. Yugoslavia	1-0	U.S. vs. Yugoslavia	1-0

### BASEBALL

Team	Score	Team	Score
Baltimore	5-4	Baltimore	5-4
Baltimore	5-4	Baltimore	5-4
Baltimore	5-4	Baltimore	5-4
Baltimore	5-4	Baltimore	5-4

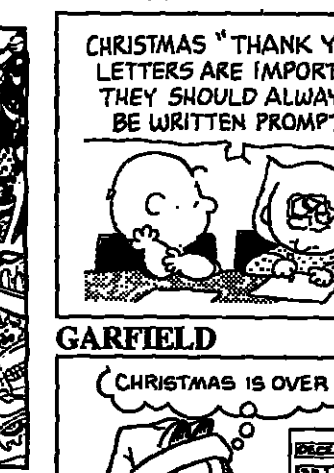
### ONE DAY INTERNATIONAL

Team	Score	Team	Score
India vs. Pakistan	1-0	India vs. Pakistan	1-0
India vs. Pakistan	1-0	India vs. Pakistan	1-0
India vs. Pakistan	1-0	India vs. Pakistan	1-0
India vs. Pakistan	1-0	India vs. Pakistan	1-0

### DENNIS THE MENACE



### PEANUTS



### GARFIELD



### BEETLE BAILEY



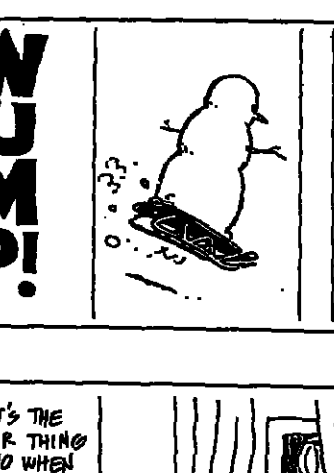
### DOONESBURY



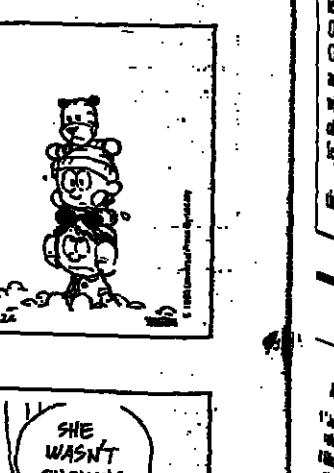
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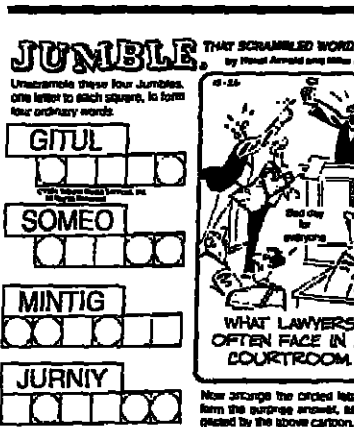
### THE FAR SIDE



### BLONDIE



### JUNBLE



### THE FAR SIDE



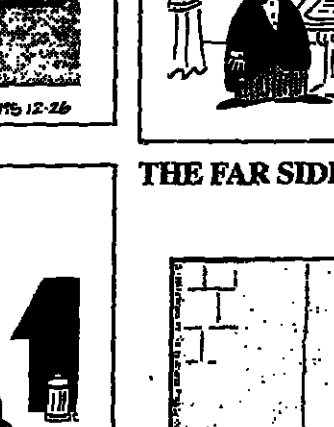
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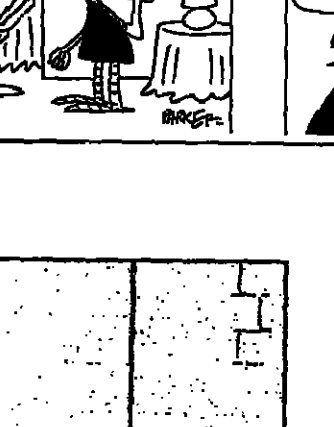
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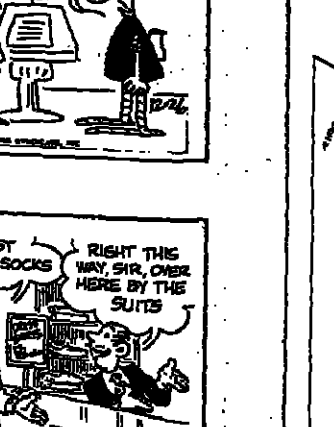
### THE FAR SIDE



### BLONDIE



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# MONDAY SPORTS



Raiders quarterback Jeff Hostetler being sacked by Chiefs' defenders for a loss. Hostetler completed 14 of 27 passes for 167 yards before leaving the game with an injury.

## Central Division Sweeps NFC Wild-Card Berths

### Patriots and Chiefs Take Open AFC Playoff Spots

The Associated Press  
The Central Division completed a sweep of the National Football Conference wild-card playoff berths even though two of the postseason qualifiers were idle and another lost. Kansas City and New England grabbed the unclaimed spots in the American Football Conference, and San Diego earned a first-round bye. Green Bay's victory over Tampa Bay on Saturday not

#### NFL ROUNDUP

only secured the Packers a playoff berth, but also eliminated the New York Giants. The Giants' defeat of undermanned Dallas crushed the hopes of Arizona, which lost to Atlanta. New England finished off a sensational surge with its seventh straight victory at Chicago and grabbed an AFC playoff spot. The Bears (9-7) advanced along with Green Bay (9-7) in the NFC Central despite the loss. New York's victory allowed Chicago in.

The other two Central teams — Detroit and Minnesota — did not play Saturday. Detroit (9-6) was at Miami on Sunday night, and Minnesota (9-6) is home against San Francisco on Monday night.

If the Vikings win, they take the NFC Central crown. If they lose and the Lions win, Detroit finishes first. If both lose, Green Bay gets the division title.

"I'm going to watch some TV, that's for sure," Packers coach Mike Holmgren said.

"It's a special day. We've had our backs to the wall all season."

If the Lions beat Miami, New England wins the AFC East. A Dolphins victory gives them the division championship.

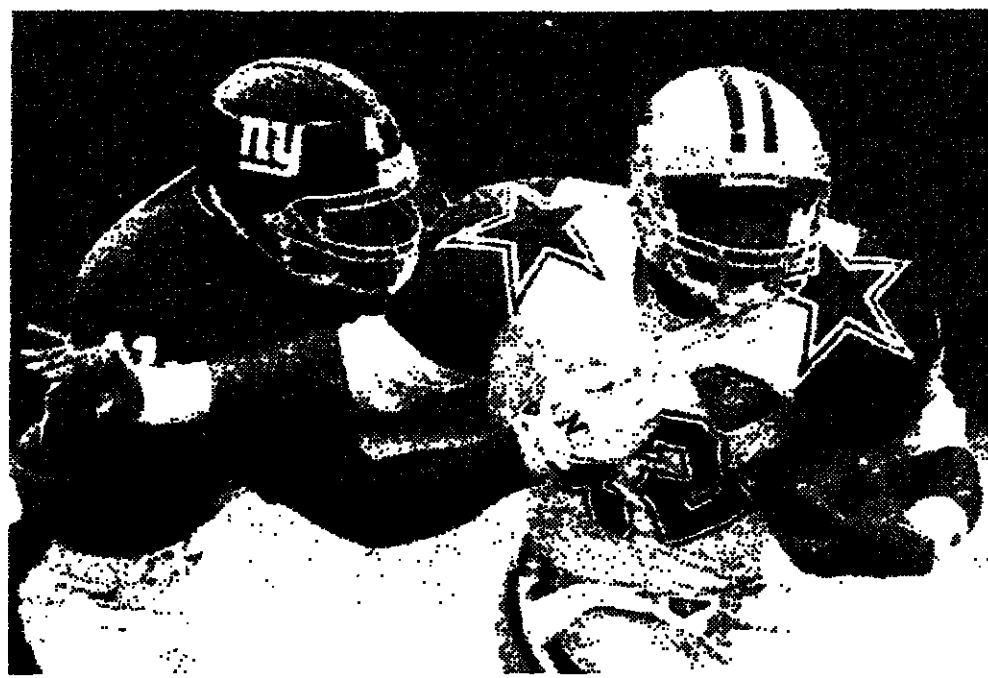
Regardless, all four NFC Central qualifiers will play in the opening round of the playoffs next weekend. In the AFC, Cleveland, which beat Seattle, will play at home next weekend. Kansas City's victory over the Los Angeles Raiders put the Chiefs into the playoffs and sent the Raiders home.

AFC Central champion Pittsburgh, which lost to AFC West winner San Diego, already had secured a bye next week. So did San Francisco and Dallas in the NFC.

Chiefs 19, Raiders 9: Mark Collins returned an interception 78 yards for a touchdown on the final play of the first half in Los Angeles. The Chiefs beat the Raiders for the 10th time in 11 games.

Joe Montana completed 15 of 24 passes for 214 yards and a touchdown before leaving after suffering a contusion in his left knee. Marcus Allen, a former Raider, became the ninth running back to surpass the 10,000-yard mark, gaining 132 yards on 33 carries.

Packers 34, Buccaneers 19: In Tampa, the Packers got exactly what they needed to make the playoffs — a third straight victory. Sterling Sharpe went over the 1,000-yard receiving mark for the fifth time and



The Cowboys' Blair Thomas, right, was brought down by John Booty of the Giants.

caught three touchdown passes as the Packers outgained the Bucs, 433-214. Brett Favre threw for 291 yards and set team records for completions (363) and touchdown passes (33) in a season.

Giants 15, Cowboys 10: The host Giants capped a season-ending six-game winning streak that followed a seven-game slide, which followed a 3-0 start. The two-time Super Bowl champion Cowboys, who have a first-round bye, did not look good or particularly interested.

Falcons 10, Cardinals 6: The visiting Cardinals already knew their playoff fate when Ronald Moore's dive from the Atlanta 1-yard mark was stopped by linebacker Jessie Tuggle on the last play. Arizona failed to fulfill Buddy Ryan's vow in his first season as coach that a playoff berth was certain.

Patriots 13, Bears 3: The Patriots were unstoppable as they earned their first playoff appearance in eight years. Drew Bledsoe passed for 277 yards and a touchdown and set an NFL record for attempts (655) in a season. Ben Coates set an NFL record for receptions by a tight end in a season with 96.

Chargers 34, Steelers 31: In

San Diego, Natrone Means' 20-yard touchdown run on fourth-and-1 tied the game and John Carney's 32-yard field goal with 3 seconds left gave the Chargers next week off. San Diego had a 28-point fourth quarter even though quarterback Stan Humphries was knocked out with a bruised right thumb. Humphries was 21-for-35 for 249 yards and a touchdown.

Browns 35, Seahawks 9: The Browns will be back in Cleveland Stadium for a wild-card game next week. They finished off the stingiest defensive season in franchise history, limiting opponents to 204 points, easily a team record for a 16-game season and the fewest for an AFC team since Pittsburgh yielded 195 in 1978.

Colts 10, Bills 9: It was an ignominious end to the Bills' four-year hold on the AFC title. Buffalo had its first losing record since 1967, the year before it began dominating the East. Typifying the Bills' season, Buffalo had a chance to win on the final play of the game, but Steve Christie's 46-yard field goal try bounced off the right upright.

Bengals 33, Eagles 30: Philadelphia's rapid collapse was

emphasized by this defeat, its seventh straight. The Eagles blew a 17-point lead in the second half and let the Bengals kick two field goals in the final 3 seconds. Doug Pelfrey tied it with a 22-yarder. The Eagles' Brian O'Neal flubbed the squibbed kickoff to turn the ball over with :01 left. Pelfrey hit a low, wobbly kick from 54 yards as time expired.

Saints 30, Broncos 28: In Denver, Jim Everett threw for 343 yards and three touchdowns before being injured. Backup Wade Wilson made the lead stand up for New Orleans. Torrance Small caught six passes for a career-high 200 yards, including touchdown catches of 36 and 75 yards.

Redskins 24, Rams 21: In what might be the Rams' last game at Anaheim — they are negotiating a move to St. Louis — a crowd of 25,705, the smallest in the NFL this season, saw Los Angeles lose its seventh in a row.

Oilers 24, Jets 10: In Houston, the Jets dropped their fifth straight as the Oilers, ranked 28th in scoring, had their best offensive output of the season with 382 yards.

## Replacements: The Dreadful Word Is Spoken

By Murray Chass

New York Times Service

NEW YORK — The idea struck the general manager as absolutely ludicrous.

He was talking about replacement players, with whom major league owners are expected to try to stock their strikebound teams next spring, and he was asked how much clubs would have to pay them.

"I guess you'd have to offer them at least the minimum salary," said the general manager, who, like some others, spoke about the subject as long as he would not be named. "I really haven't given it much thought."

Well, he was asked, what would happen if three clubs sought the same replacement player? Would they get into a bidding war for him?

He paused for a second, then said, sounding a bit incredulous, "I never thought there'd be a bidding war on a replacement player."

Say hello to the bizarre new world of baseball. It's not the proposed new United League, but good old Major League Baseball, the folks who are mired in the longest strike in sports history and whose lineups of lawyers are becoming better known than their lineups of players.

Companies won't be printing collectible cards any time soon of Chuck O'Connor and Rob Manfred and Gene Orza and Lauren Rich, but they and their colleagues have been and will continue to be on television more often than Frank Thomas, Ken Griffey Jr. and Barry Bonds.

The coming confrontations before the National Labor Relations Board,

### The Brave New World of Baseball

in U.S. District Court and in the cloakrooms of Congress will be the focal point of the baseball world in coming weeks and months, but other matters soon will begin demanding attention.

Spring training, for example. And all the ramifications of that usually bucolic time of the calendar year and the sports schedule.

Only 53 days to pitchers' and catchers' reporting!

Somewhat that cry clangs with a more dissonant tone than in other winters. Exactly which pitchers and catchers will they be? Will they be strike-breaking pitchers and catchers? Minor league pitchers and catchers? Over-the-hill pitchers and catchers? Park rats and sandlot kings?

They won't be Latin American, Australian and Japanese pitchers and catchers because they won't be able to obtain visas to work in the United States as long as they would be replacing striking pitchers and catchers.

But not so fast. Before the bizarre new world of baseball reaches that stage of what would then be a six-month-old strike, its leaders must make some decisions.

"Obviously, the clubs have said we want to have spring training," said Bud Selig, the acting commissioner. "There's no question we want to have spring training. Are there any specific plans, any master plan? No, there isn't. What form will it take? There is no master plan at this point. Will there be a season? Some thing."

But surely the owners didn't implement a salary cap simply as a testimonial to milliners. If they don't open camps and prepare to play the season, or at least try to play it, their action last week would be meaningless.

And if they open camps, they will need players to populate them so what about those replacement players, some of whom could trigger bidding wars?

"That's a subject that hasn't been discussed all along," Selig said. "That's not on the agenda to discuss at this point in time. I'm sure there are differing views, but we've had no formal or informal discussions."

Those deliberations, though, are coming to an operations committee meeting soon.

"We have to look at the format of the next 60-plus days and begin to understand what we have to do, obviously in uncharted waters," Selig said. "What we need is a 60- to 90-day schedule with all the ramifications very well thought out. That's something I'm sure we'll begin to look at next week and clearly after the first of year. We'll have something definitive early to mid-January."

While the owners study the immediate future on the field, representatives of striking players will scrutinize the new economic system — the salary cap — and other implemented elements of the new structure to determine if players should even sign contracts.

Union officials have advised players and agents to place a unilateral moratorium on signings until they can study all of the ramifications of the new system.

If players do begin signing and the labor board or a court ultimately decides the salary cap was imposed improperly, they could reap a windfall of monetary damages as a remedy to the clubs' action.

Meanwhile, when they open spring camps, just about the time the NLRB could be issuing a complaint against the clubs based on the unfair labor practice charge the union will file Tuesday, owners will look for massive defections from striking players.

But what they will probably need is a massive collection of replacement players. The general managers hope not.

"No general managers like the idea," one general manager said. "Myself included."

Another general manager speculated that when the time comes to seek replacements, clubs will look at old free-agent lists, the list of six-year minor league free agents and the telephone list of players who retired a year or two ago, voluntarily or otherwise.

"There might be some veteran players who see it as their last chance," he said. "They'd probably say: 'I don't have to worry about guys throwing at me. As soon as there's an agreement, I'll be released.' On the other hand, a player might figure, 'If I show enough, I might be able to help the team. I'll get it through for a year.'"

## Long Good-Bye in Anaheim? Rams Fans 'Might Even Cry'

The Associated Press

ANAHEIM, California — Will the Rams jilt Southern California for a new home in St. Louis?

Like a soap opera that keeps its viewers hanging on for the surprise plot twist, the Los Angeles Rams have kept their fans and an entire region in suspense for months with this will-they-or-won't-they saga.

Uncertainty about the team's future overshadowed the action Saturday in what could have been the Rams' final game in Anaheim.

"We might even cry," fan Louis Loera of Fullerton said.

If indeed it was the end, the Rams gave their fans unpleasant memories with a 24-21 loss to the Washington Redskins. The rest of a 4-12 season was hardly worth remembering, either. The club is being wooed by the offer of a new domed stadium in St. Louis, a city that has hungered for an NFL team since losing the Cardinals to Phoenix seven years ago.

"It seems inevitable. All the signs point that way," Don Bridge of nearby Chino Hills sighed about a possible move. "I'd still like to hope that since they haven't signed on the bottom line, there's still hope."

But few fans kidded themselves that owner Georgia Frontiere wouldn't move the Rams, who are projecting a loss of about \$6 million in bankrupt Orange County this year.

The Rams have had serious negotiations with St. Louis, although there's no timetable for announcing their intentions.

Several fans were quick to blame Frontiere, who inherited the team after her husband, Carroll Rosenbloom, died in 1979.

Her alleged crimes? Inept management, lack of football knowledge and being cheap with player salaries.

"We should sell Georgia and keep the Rams," Robert Galotti of Van Nuys said. "You have to pay money to make money."

Not far from where Galotti tailgated in the Anaheim Stadium parking lot, Barbara Hittbrink ranted against Frontiere in between sips of champagne.

"I don't think they care two beans about Anaheim or the fans," said Hittbrink, a season ticket-holder from Anaheim Hills. "It's the me generation and she's one of the big leaders."

"Georgia has done nothing to foster any loyalty," added her friend, Ann Marie Goulding of Glendale. "Til give them a 1 percent chance of staying."

Fan support has dwindled with the team's fifth straight season of double-digit losses. Saturday's game was blacked out locally after 35,066 tickets were distributed. Attendance for the game was 25,705 in 69,008-seat Anaheim Stadium. The Rams averaged 42,312 a game this season, lowest since moving to Anaheim in 1980.

Typical of the transient population in Southern California, there were plenty of supporters dressed in Redskins clothing.

"You put a mediocre team out there, you're going to get a mediocre turnout," said Javier Villarreal of Los Angeles, dressed in a blue-and-gold Rams jacket. "Six years ago when they were winning, there were 60,000 fans here. I never thought it would come down to this."

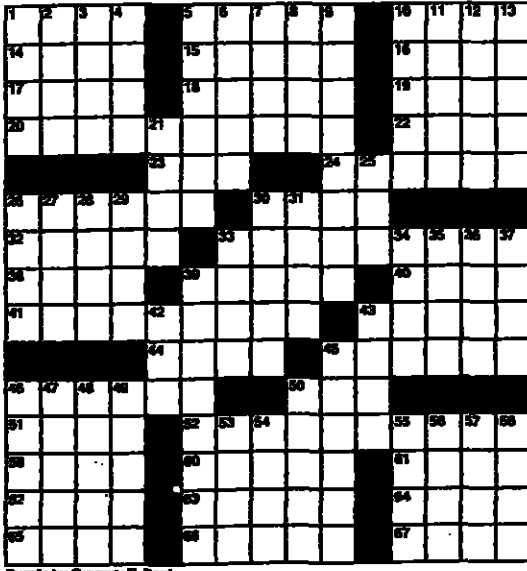
## CROSSWORD

### ACROSS

- 1 "Julius Caesar" role
- 5 Shell not, old-style
- 10 Actress Drescher of "The Nanny"
- 14 The third man
- 16 Red, white or blue

### DOWN

- 1 Mystery writer John Dickson
- 2 He had an Irish Rose
- 3 Private eyes, in slang
- 4 Buterine
- 5 Diving ducks
- 6 Romance novelist Victoria et al.
- 7 Jet
- 8 Taboo
- 9 Conduct, as business
- 10 Sen. Hollings
- 11 Extend, as a subscription
- 12 Some Mennonites
- 13 Untrue
- 14 One of the Gospels
- 15 Sweetest head
- 16 Ripoff
- 17 — folds (bad faith): Lit.
- 18 — 500
- 19 Hellport site, often
- 20 Filles' listers
- 21 Moscow ruler
- 22 Sunup
- 23 — Beach, Fla.
- 24 Hgt.
- 25 Artist Magritte
- 26 Vintage
- 27 Clair de lune
- 28 Tell a whopper
- 29 A. A. Milne's first name
- 30 Coffee-maker switch
- 31 V-tomation filers
- 32 Sidewalk grinder's instrument
- 33 "Stop" and "Merge," e.g.
- 34 Novelist Hermann
- 35 Fees up
- 36 Unconscious
- 37 Carol syllables
- 38 "Fourth base"
- 39 Notion
- 40 An Untouchable
- 41 Cart



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Solution to Puzzle of Dec. 23

ACROSS  
1. CAESAR  
5. SHELL  
10. DRESCHER  
14. THE  
16. RED, WHITE OR BLUE  
DOWN  
1. DICKSON  
2. IRISH  
3. PRIVATE  
4. BUTERINE  
5. DIVING  
6. VICTORIA  
7. JET  
8. TABOO  
9. CONDUCT  
10. SEN.  
11. EXTEND  
12. SOME  
13. UNTRUE  
14. ONE  
15. GOSPEL  
16. SWEET  
17. RIP  
18. FOLD  
19. 500  
20. HELL  
21. FILLES  
22. MOSCOW  
23. SUNUP  
24. BEACH  
25. HGT.  
26. MAGGIE  
27. VINTAGE  
28. CLAIR  
29. TELL  
30. A. A.  
31. COFFEE  
32. V-TOM  
33. SIDEWALK  
34. STOP  
35. HERMAN  
36. FEES  
37. UNCONSCIOUS  
38. CAROL  
39. NOTION  
40. AN  
41. CART

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# The Tumultuous Life of Saint-Exupéry

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